

CHO

Cho Thavee Public Company Limited



Annual Registration Statement
Annual Report 2020

(Form 56-1 One Report)

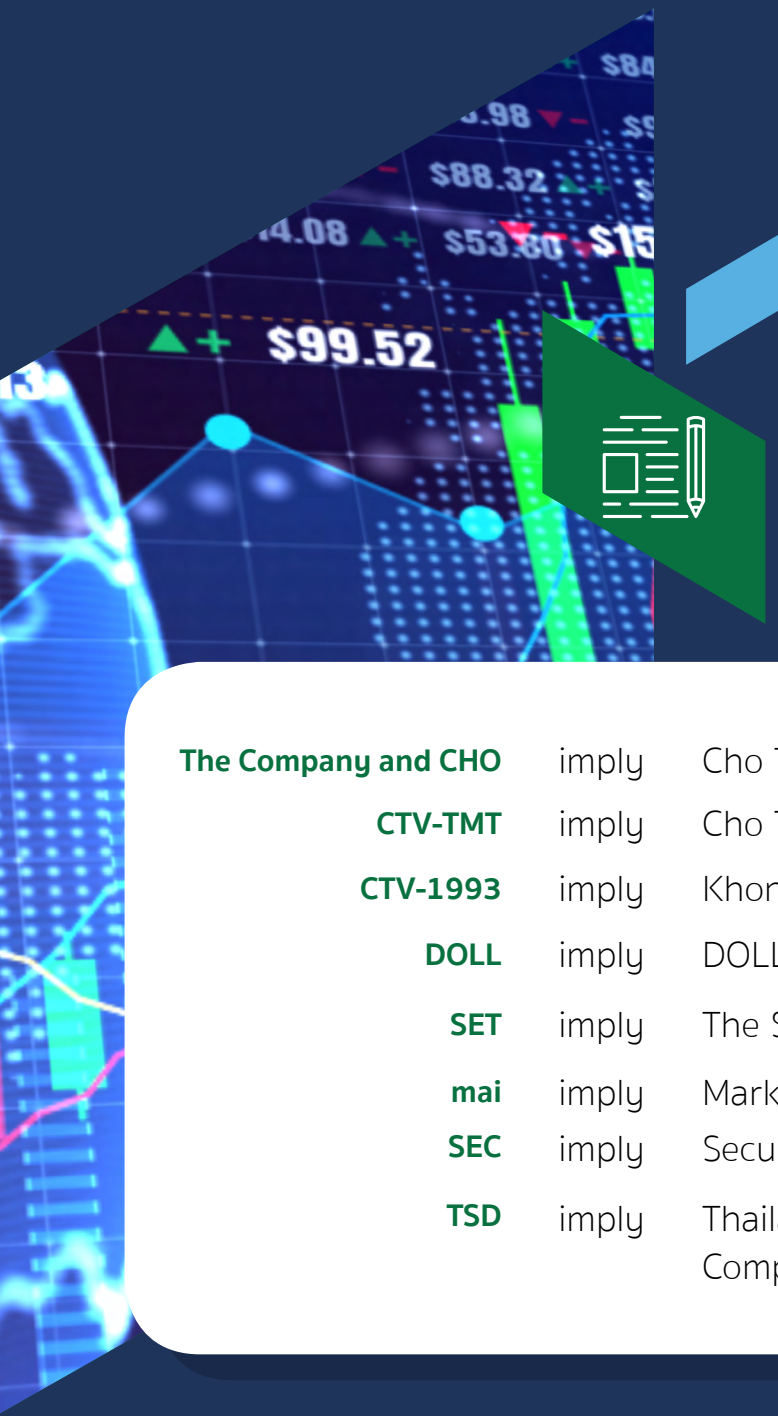
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Attachment

Attachment 1	Profiles of Directors, Executives, Highest responsibility in finance and accounting (CFO), Person supervising accounting (Chief Accountant) and Company Secretary
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Explanation

The Company and CHO	imply	Cho Thavee Public Company Limited.
CTV-TMT	imply	Cho Thavee Thermotech Co., Ltd.
CTV-1993	imply	Khon Kaen Cho Thavee (1993) Co., Ltd.
DOLL	imply	DOLL Fahrzeugbau GmbH
SET	imply	The Stock Exchange of Thailand
mai	imply	Market for Alternative Investment
SEC	imply	Securities and Exchange Commission
TSD	imply	Thailand Securities Depository Company Limited

Message from Chairman



CHO

(Ms. Phenphimol Vejvarut)
Chairman of the Board of Directors

In 2020, the impact of trade war and COVID-19 pandemic have placed the greatest effect on Thai economy, and Cho Thavee Public Company Limited, or CHO’s operation has been inevitably under pressure. The company’s Board of Director and Executives have been aware and collaboratively set up preparative plans to reduce the impact from such incidents by planning on improving resources allocation to appropriately manage incomes and expenses, financial cost management, and human resources management to be able to continuously implement the plans. These plans also aim to reduce dependency on single source of income by creating variety of business so that the company can generate more recurring income to support CHO’s long-term operations. It can be said that, in 2020, CHO’s “STRONG, BRAVE AND DIFFERENT” was tested by various factors which has been steadily prepared our company to grow and move forward.

CHO has the determination and emphasizes on corporate management by using good corporate governance and transparency policies to promote sustainable business operation and achieve the company’s goals. The company received Excellent level of Corporate Governance Report of Thai Listed Companies - CGR by Thai Institute of Directors (IOD) for 2020 and has maintained at this level for 4 consecutive years. This is the pride of our company.

Lastly, I would like to express my appreciation to shareholders, business alliances, executives, all employees, and stakeholders for the trust, reliability, and all the supports in company’s operations so that we can steadily and sustainably grow together.

Business Operation and Performance

1. Structure and Business Operation of the Group Company



1.1 Overall Policy and Business Operation

Cho Thavee Public Company Limited (Formerly Cho Thavee Dollasien Public Company Limited), "CHO", with the longtime of experiences and the specialties of the executives and team work in field of engineering and management, combine the world-class engineering technology with the professional management in reaching the capability to design, create and produce commercial vehicle and expanding the business to the project management business regarding inland transportation and rail transportation for special project pertaining to the logistics and other services dealing with the company products such as: the project of building offshore patrol vessel : OPV which the company has joined with Bangkok Dock (1957) Co., Ltd. in managing with modern technology in order to increase the capability of shipbuilding industry of Thailand to be competed in the regional level. The project of maintenance and fixing center of the trucks to Linfox Transport (Thailand) Co., Ltd. ("LINFOX"), and a project of Ek-Chai Distribution System Co., Ltd. (TESCO-LOTUS) with 758 units of truck.



CHO

WE ARE
THE ENGINEERING
& MANAGEMENT
INTEGRATOR



Vision

STRONG BRAVE DIFFERENT

CHO 2023

The Company is aiming to become the leader in designing, creating, and manufacturing innovative world-class technology professional management and unique knowledge by using to reach the excellence, building customer's confidence and satisfaction with consciousness in corporate social responsibilities and environmental concerns. The Company's target is to proudly supply quality products under the name CHO as a world-class brand. And to create the happiness to the partners, as well as to enhance our competitiveness to become the leader of innovative technology for the sake of Thailand.



Mission

- To build unique knowledge of CHO and personal development
- To increase recognition, awareness and confidence in the brand CHO.
- To produce a great variety of environmental friendly products with sustainability and safety
- To create happiness for our employees and stakeholders.
- To search and constantly develop new technology.
- To achieve excellence in finance and marketing.
- To achieve excellence in Total Quality Assurance and innovation
- To build the identity of "CHO" species.

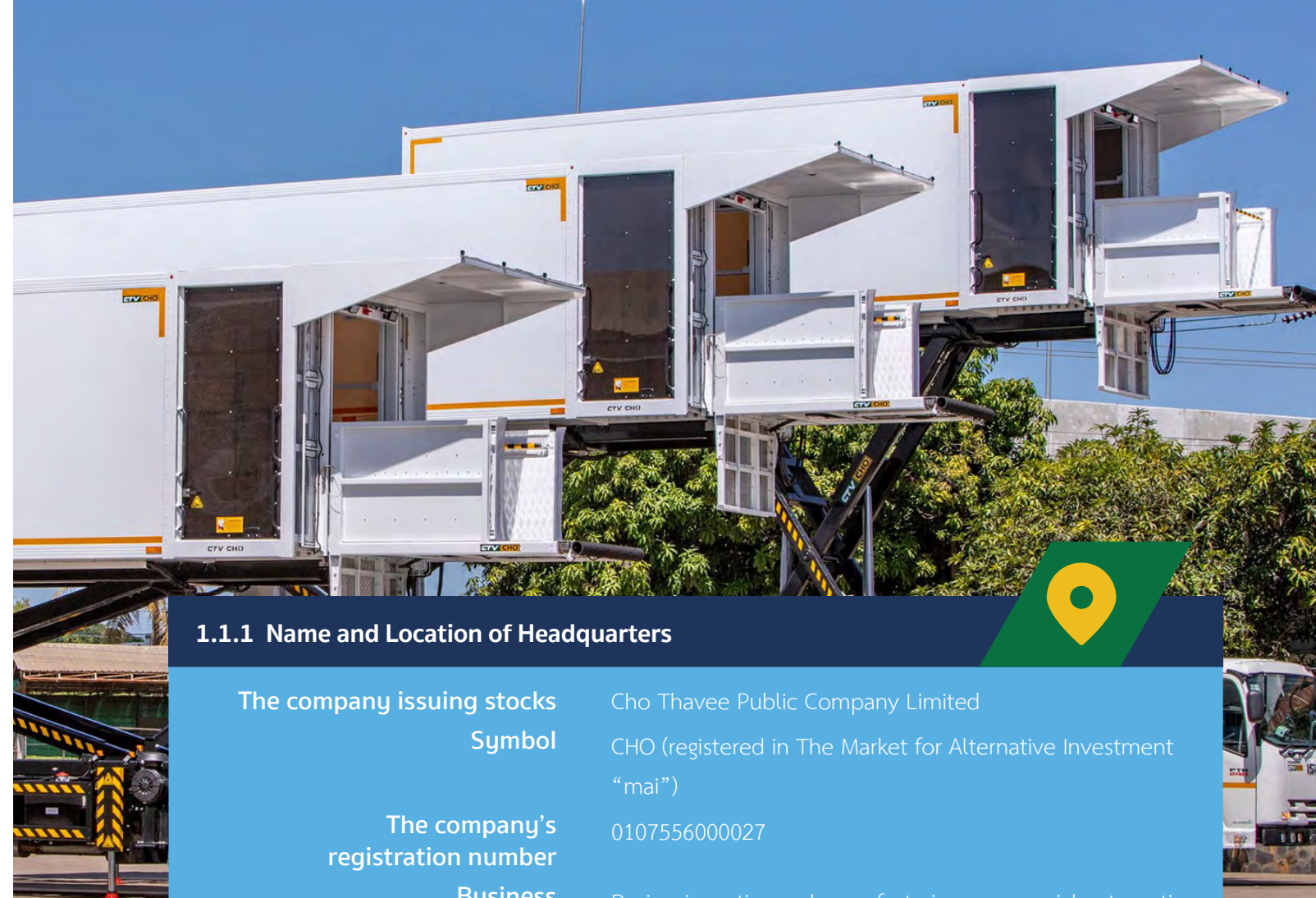
Unique



Identity



"STRONG, BRAVE AND DIFFERENT"



1.1.1 Name and Location of Headquarters

The company issuing stocks

Symbol

Cho Thavee Public Company Limited

CHO (registered in The Market for Alternative Investment "mai")

The company's registration number

0107556000027

Business

Design, inventing and manufacturing commercial automotive engineering systems including rail technology and defense industry products for example trucks, trailers, buses, catering trucks, trains, fire rescue vehicles, armored vehicle, troop carriers and battle ships. Providing Preventive Maintenance service for 489 air-conditioned NGV buses to the BMTA, 20 KKU smart transit buses, SCG (Nam Phong, Khon Kaen) employee transportation buses, and 24-hour One Stop Service center for commercial vehicle

Authorized Capital (As of December 31, 2020)

588,998,932.50 Baht
(Five hundred eighty-eight million nine hundred ninety-eight thousand nine hundred thirty-two Baht and fifty Satang)

Paid-up Capital (At of December 31, 2020)

330,475,259.25 Baht
(Three hundred and thirty million, four hundred and seventy-five thousand, two hundred and fifty-nine Baht and twenty five satang.)
Common Stock, 0.25 Baht (Twenty-five satang)

Par Value

0.25 Baht (Twenty-five satang)

Head office and the plant location

265 Moo 4 Klang Muang Road, Muangkhao, Muang Khon Kaen, Khon Kaen, 40000

Par value Preferred Stock

-None-

Telephone Number

043-043-880-90

Facsimile Number

043-043-899

1.1.2 History and the major developments

The family of Taweesaengsakulthai (or CHO Thavee group) by Mr. Cho Taweesaengsakulthai and Ms. Usa Taweesaengsakulthai was the founder of the transportation trucks in KhonKaen province. He was also the founder of the truck dealer since year 1968. He, then, has expanded to the business of manufacturing and assembling bus body. In 1980, he has expanded to the manufacturing and assembling of the body of trailer, semi-trailer, and various kinds of transport truck. Cho Thavee group has continuously developed the technology of trailer and commercial trucks. With the neat in designing of the body in various kinds suitably with the customer’s truck chassis in order to produce the strength and the durable truck body to meet with types of transportation work using under every kind of road condition and weather condition.

In the second generation of Cho Thavee group leading by Mr. Suradech Taweesaengsakulthai, a son of Mr. Cho Taweesaengsakulthai and Ms. Usa Taweesaengsakulthai. They graduated in field of automobile engineering and business administration from Japan, viewing to the trend of demand in large logistics system by the large special trailer. He also viewed to the importance of the innovation in assembling the truck body, which rely on the leading technology from abroad, will be increased in the industry of trailer, semi-trailer in the future. He, then, decided to establish Cho Thavee Dollasien Co., Ltd. (“The company” or “CHO”) on November 18,1994 by joining the family company namely Khonkaen Cho Thavee (1993) Co.,Ltd. (“CTV-1993”) with the leading manufacturer company of truck body and trailer from Germany namely Doll Fahrzeugbau AG (“DOLL”), in order to do the business of designing, manufacturing, assembling the body, and installing of engineering system pertaining to the truck body, the trailer and the truck for commercial. The registered capital was 10 million Baht, 74% of these to be held by the group of Thai shareholders and CTV-1993, and the rest of 26% to be held by DOLL.

CTV-1993 (formerly called “Cho Ruamthavee industry Co.,Ltd.” and has been changed later on May 28, 1993). DOLL (previously called Emil Doll GmbH) who has the experience for long time in manufacturing and assembling of the truck body for commercial with the engineering development. Detail as follow:



CTV-1993 started the business of manufacturing and assembling of the truck body, the bus body, and has developed the technology in logistics in Thailand since 1990. At the present, CTV-1993 do not do the business of manufacturing and assembling the truck body. Instead, CTV-1993 altering to do the business of selling the front part of the truck, all kinds of truck and offering the services of the truck hire purchasing.



DOLL started the business of manufacturing and assembling of the truck body and special types of trailer since 1922(after World War I). DOLL has the competency in manufacturing special trailer for loading materials with heavy weights and in large sizes, also with the materials with special length, by using the modern technology. In 2014, DOLL has changed its management team to be CMP financial group, so it focused on sales more than product developments. In 2016, the contract between CHO and DOLL expired with no contract renewal. Since then, CHO have cooperate with business partners with the technology owner through MOU signing with companies that can make a technology

transfer for CHO, for instance; Faymonville Company Limited, a Belgium company ranked the top three sale volume of the world, which has various trucks manufacturing technology: Siemens AG, a Germany company who has expertise in the electrical engineering and the world-class automation technology.

In addition, the company has joined with the French businessman in 2005 in establishing Cho Thavee Thermotech Co., Ltd. (“CTV-TMT”) with registered capital of 10 million Baht. CHO held in a portion of 80% of registered capital, and the French businessman held in a portion of 20% of the registered capital. This company has the purpose of doing business in designing, manufacturing, assembling, and installing of the fiber glass fresh box for truck with light weight for using in the transportation of merchandises, fresh foods and dried foods. In order to maintain the quality of the products until the destinations, also with the physical shape and the temperature of the products to be kept in the same condition as prior to the transportation. At the present, CTV-TMT has its registered capital and paid-up capital of 20.00 million Baht. CHO held the shares in CTV-TMT for 99.99% of the registered capital.

The company has changed its shareholders group structure. Mr. Suradech Taweesaengsakulthai, Co-founder of the company and currently the executive director and management, has invested in the company’s common stocks wholly of CTV-1993 since 2002. At the present, the company’s shareholders structure held by the group of Taweesaengsakulthai as major shareholder with the portion of 93.18% of registered capital prior to the initial public offering (“IPO”) during May 2-7, 2013. The company has raised its registered capital and called for the additional paid-up capital for 50 million Baht, and the company’s common stocks have been registered in the market of alternative investment (mai) on May 13, 2013.

In the past three years, the history and major developments of the company and its subsidiary can be summarized as follows:

Year 2018

On January 22, 2018

The company has signed an agreement for a reservation of shares offered to Macquarie Bank Limited, in a total amount of not exceeding 185,000,000 shares at the par value of 0.25 Baht per share.

On January 25, 2018

The company has allocated ordinary shares of 2,000,000 shares to Macquarie Bank Limited. In this regard, Macquarie Bank Limited and CHO have registered for changing of the paid-up capital on January 26, 2018 from to be 296,235,443.25 Baht. CHO has received an increasing capital of 3,597,018.50 Baht used as working capital.

On February 5, 2018

CHO has allocated ordinary shares of 2,000,000 shares to Macquarie Bank Limited. In this regard, Macquarie Bank Limited and CHO have registered for changing of the paid-up capital on February 6, 2018, from an amount of be 296,735,443.25 Baht. CHO has received an increasing capital of 3,473,750.00 Baht used as working capital.

..... On March 2, 2018

CHO has allocated ordinary shares of 10,000,000 shares to Macquarie Bank Limited. Macquarie Bank Limited and CHO have registered for changing of the paid-up capital on March 5, 2018 to be 299,235,443.25 Baht. In this regard, CHO has received an increasing capital of 15,793,652.50 Baht used as a working capital.

..... On March 26, 2018

SCN-CHO Consortium has delivered NGV buses to the BMTA for the first batch of 100 units, the buses assigned to operate instantly resulted in the SCN-CHO Consortium recorded its service revenue of the quarter 1/2018

..... On April 10, 2018

The Central Administrative Court of Thailand has an instruction to respite the BMTA for not to do any action to comply with the 489 NGV buses procurement and maintenance service contract. As a result, the preparation for bus delivery of SCN-CHO Cooperation preparing for the BMTA under the contract, the batch 2 of 100 buses, has been suspended.

..... On May 8, 2018

The BMTA has filed a request for retrial to the Central Administrative Court in regard of an Interlocutory relief. On May 10, 2018 SCN-CHO Consortium has filed a request to the Central Administrative Court to be an interpleader as an injured person, and then it has been approved by the Court. On June 5, 2018 SCN-CHO Consortium has filed an interlocutory appeal to the Central Administrative Court in order to suspension of the relief order. On 25 July 2018, SCN-CHO Consortium has filed an interlocutory appeal to the Supreme Court to restrain the Central Administrative Court's instruction.

..... On August 15, 2018

There was a test on the E-ticket system of the BMTA's first 111 buses, the test continued and the installation of 2,600 buses will be completed within 2018.

..... On October 30, 2018

The company notified for a formation of Amornrattanakosin Company Limited "ARK" (a subsidiary company), for doing a business of Smart Bus management.

..... On November 14, 2018

The company has invested in ALLS Holdings Company Limited for the investment in business related to vehicle production and manufacturing, public transportation service and support technology used for public transportation and other business related to public transportation.

..... On November 26, 2018

The company has allocated 12,000,000 ordinary shares to Macquarie Bank Limited, and registered for the change of paid-up capital on November 27, 2018 to be 302,235,443.25 Baht. CHO has received an increasing capital of 16,996,761.00 Baht used as a working capital.

..... On December 31, 2018

The company has allocated ordinary shares under the General Mandate basis, offered to specific person (Private Placement). There were 69,944,744 ordinary shares allocated to Mr.Marut Sae-lim on December 13, 2018, 30,000,000 ordinary shares allocated to Mr.Papinwit Cherngchavano on December 19, 2018, total 2 persons, amounting to 99,944,744 ordinary shares. CHO earned capital increase of 142,891,000.00 Baht used as a working capital. As of December 31, 2018 CHO has its remaining allocated shares of 18,349,433 shares.

 Year 2019

..... On March 12, 2019

the company on behalf of "SCN-CHO Cooperation" has delivered NGV buses to the Bangkok Mass Transit Authority (BMTA) to meet the contract requirement in an amount of 489 units.

..... On March 21, 2019

the company received a notice for contract termination regarding the E-Ticket project from the BMTA, the contract termination valued 1,665,000,000 Baht.

..... On May 21, 2019

the company decreased its registered capital, which is the remaining from the ordinary share issuance (under General Mandate basis) without conversion right exercising as conditions and terms from 460,279,620.25 Baht to be 327,221,629.25 Baht by cancellation of 532,231,964 shares at par value of 0.25 Baht.

..... On May 22, 2019

the company increased its registered capital to be 588,998,932.50 Baht by an issuance of newly issued ordinary shares of 1,047,109,213 shares, at par value of 0.25 Baht, to support the offering of ordinary shares (General Mandate) and to support the exercise of warrants series 2 ("CHO-W2").

..... On December 30, 2019

there was the exercise of rights regarding the warrants CHO series 2 (“CHO-W2”), first time exercising, in an amount of 13,014,520 units. The company registered its paid-up capital on January 7, 2020, to be 330,475,259.25 Baht. The company had a capital increase of 11,192,487.20 Baht used as the company working capital.

Year 2020

..... On May 26, 2020

the Company has signed a Memorandum of Understanding (“MOU”) with the Defence Technology Institute (“DTI”) for the development of 6 units Offshore Patrol Vessel Project Management System of the Philippine Navy.

..... On August 13, 2020

the company has signed a Memorandum of Understanding (“MOU”) with the Defence Technology Institute (“DTI”) for researching, developing, and promoting defence industry.

..... On November 11, 2020

The Board of Directors meeting, no. 12/2020 of CHO held on November 11, 2020 had an approval of the establishment of the Joint Venture CHO THAVEE – KIAT with Kiattana Transport Public Company Limited to participate in bidding for projects of government agencies/state enterprises.

..... On December 30, 2020

there was the exercise of rights regarding the warrants CHO series 2 (“CHO-W2”), 3rd time exercising (the last exercise), in an amount of 13,014,520 units. The company registered its paid-up capital on January 11, 2021, to be 330,476,304.25 Baht. Used as the company working capital.

1.1.3 Issuance and Offering of Bond / Debt Instruments & Equity Instruments

(1) Usage of Funds from the Warrants

The use of funds from Cho Thavee Public Company Limited has issued and freely offered the Warrants to purchase the newly Issued Ordinary Shares of the Company No.2 (CHO-W2) in the Offering Amount of 654,443,258 units, Allocation amount of 649,415,238 units, the Last exercise date will be on December 30, 2020.

Use of Funds	Amount of Funds	Period
For working capital increase of 11,196,082.00 Baht used as the company working capital. (total amount from 3 exercises)	11,196,082 Baht	Dec. 2019 – Dec. 2020

(2) Usage of Funds from Bond Offering

2.1 The use of funds from Debentures offering of Cho Thavee Public Company Limited no. 1/2018, redemption due in 2020, valued 201,100,000 Baht

Use of Funds	Amount of Funds	Period
1. For working capital of the maintenance hiring project by Royal Thai Army Ordnance Department, Project value 429,605,000 Baht	21.54 million Baht	Sep. 21, 2018
2. Loan repayment	150.11 million Baht	Sep. 2018
3. For working capital of the company	29.45 million Baht	Sep. – Dec. 2018

2.2 The use of funds from Debentures offering of Cho Thavee Public Company Limited no. 1/2019, redemption due in 2021, valued 545,300,000 Baht

Use of Funds	Amount of Funds	Period
1. For an investment in new projects: expansion of One Stop Service Center “Siblor 24-hour”, and for working capital of the current projects and/or new projects and/or for an investment in the construction of bus maintenance building in 4 bus operation zones	35.96 million Baht	Feb. - Jun. 2019
2. For loan repayment	154.90 million Baht	Feb. – Mar. 2019
3. For working capital	354.44 million Baht	Feb. – Mar. 2019

2.3 The use of funds from Debentures offering of Cho Thavee Public Company Limited no. 2/2019, redemption due in 2021, valued 300,000,000 Baht

Use of Funds	Amount of Funds	Period
1. For investment in new projects, to improve product potential of the project management product group, large bus and truck maintenance service, investment in Special Design product for an expansion of production capacity of catering truck, special designed commercial vehicle, equipment used for production and maintenance, and to be used as a fund for large projects’ operation that payments will be gradually paid.	30.00 million Baht	Oct. – Dec. 2019
2. For loan repayment during the time that the funds does not spend as planned, the company will repay the loan from financial institutions.	221.50 million Baht	Oct. – Dec. 2019
3. For working capital	48.50 million Baht	Oct. - Dec. 2019

2.4 The use of funds from Debentures offering of Cho Thavee Public Company Limited no. 1/2020, redemption due in 2022, valued 71,000,000 Baht

Use of Funds	Amount of Funds	Period
1. For investment in new projects, to improve product potential of the project management product group, large bus and truck maintenance service, investment in Special Design product for an expansion of production capacity of catering truck, special designed commercial vehicle, equipment used for production and maintenance, and to be used as a fund for large projects' operation that payments will be gradually paid. Therefore, during the period when the fund has not been used. The company will repay loans from financial institutions in order to maintain the debt-to-equity ratio not to rise as planned.	5.00 million Baht	Sep. 2020
2. For loan repayment During the time that the funds does not spend as planned, the company will repay the loan from financial institutions to maintain the D/E ratio of not over 3.00 times	40.00 million Baht	Sep. 2020
3. For working capital	26.00 million Baht	Sep. - Oct. 2020

(3) Usage of Funds from Short-term Debentures

The use of funds from the offering of short-term Senior Bond, offered by private placement, valued 100,000,000 Baht

Use of Funds	Amount of Funds	Period
For working capital	100.00 million Baht	Jun. – Nov. 2020

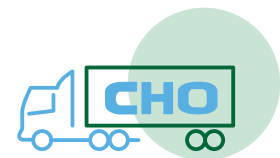
Remark	The Security and Exchange Commission (SEC) revised the announcement of subordinated perpetual bonds effective on February 16, 2021
	1. The Notification of the Capital Market Supervisory Board No. TorJor. 4/2564 re: Permission request and approval to offer newly issued bonds (issue 5)
	2. The Notification of the Capital Market Supervisory Board No. TorJor. 5/2564 re: Securities Offering of Thai Government Agencies (issue 5)
	3. The Notification of the Capital Market Supervisory Board No. TorJor. 6/2564 re: Foreign currency bond offering in Thailand (issue 4)
	4. The Notification of the Capital Market Supervisory Board No. TorJor. 7/2564 re: Criteria for allowing foreign affairs to offer newly issued debt securities in Thai Baht (issue 4)
	5. The Notification of the Capital Market Supervisory Board No. TorJor. 8/2564 re: The sale of subordinated bonds to be counted as the capital of commercial banks. (issue 6)
	6. The Notification of the Capital Market Supervisory Board No. SorThor 6/2564 re: Criteria for details of customer contact and service providing for securities and derivative business providers (issue 9)



1.2 Business Characteristic

The Company has continuously delivered the products and services, by concerning to the accuracy according to the standard basis as per the announcement of the land transportation department. The Company has been certified to the registration as the first level manufacturer of vehicles according to the announcement from the land transportation department subjected: The basis, procedure, and condition in approving the chassis and the body of vehicles for the transportation of animals or objects feature 6 (trucks) feature 7 (semi-trucks) and feature 8 (semi-trucks containing long materials) B.E. 2553. The Company products and services are accepted by domestic and foreign customers. The Company has the skillful engineers who thoroughly understand the products, and able to give the suggestion to the customers very well. The Company products are standardized products with the controls under every designing and production procedure as per the requirement of standard quality system ISO 9001, and have been certified for standard quality system ISO 9001: 2008 from Bureau TUV Nord, Germany. The Company products and services have also been certified international standard such as: The safety standard for products imported and produced for selling in the European Union (CE mark), the safety standard for the products as per the requirement of IATA.

Furthermore, the Company never stops in doing the research and the development of products or engineering systems. The company's research and development team works have designed the new model of product innovation and developed various technologies continuously. All of the products or the innovations have been registered with the intellectual properties department. At the present, the Company has received many items of 101 sub-patents and under the request for the registration of sub-patents or invention patent, or the designing of products sub-patent, from the intellectual properties department of more than 19 items. (Information as of December 31, 2020)





1.2.1 Income structure of the Company

Table of income structure (consolidated income statement) year 2018-2020

Type of income	year 2018		year 2019		year 2020	
	Million baht	%	Million baht	%	Million baht	%
Income as per contract	2,052.69	89.71%	1,185.39	73.66%	350.41	54.08%
Income from sales and services ^{/1}	214.15	9.36%	339.20	21.08%	277.06	42.76%
Total incomes	2,266.84	99.07%	1,524.59	94.74%	627.47	96.84%
Other income ^{/2}	21.37	0.93%	84.62	5.26%	20.49	3.16%
Grand total incomes	2,287.59	100.00%	1,609.21	100.00%	647.96	100.00%

Remark ▶ /1 - Income from sales comprising of selling of spare parts, selling of samples (prototype), selling of products in stocks.
/2 - Other income comprising of management income, rental income, interest income, and others.

Income structure from domestic and foreign
(Consolidated financial statements 2018-2020)

Type of income	year 2018		year 2019		year 2020	
	Million baht	%	Million baht	%	Million baht	%
Domestic Income	1,986.65	87.64%	1,399.91	91.82%	574.26	91.52%
Foreign Income	280.19	12.36%	124.68	8.18%	53.21	8.48%
CLMV Countries ^{/1}	--	0.00%	41.42	2.72%	20.89	3.33%
Other countries ^{/2}	280.19	12.36%	83.26	5.46%	32.32	5.15%
Grand total incomes	2,266.84	100.00%	1,524.59	100.00%	627.47	100.00%

Remark ▶ /1 - CLMV Countries consisted of Cambodia, Laos, Malaysia and Vietnam
/2 - Other countries consisted of Hong Kong, Japan, Korea, Singapore and other



1.2.2 Product Information

(1) Products and Services Characteristic

The Company's products and services can be characterized into 3 groups as standard product group, special designed product group, and project management and services group, with the details as follows:

1. Standard Product Group

Standard product group means trucks, trailers, semi-trailers which were bought by the customers for using in the transportation as per special requirement. There are the trucks for using only in the loading of products with no requirement for much more technology of engineering system, or the products ordered by the customers with the standardized production. The types of this group of product and its qualification according to the usage can be summarized as follows:



1.1. Standard Truck : STD

Group of general standard trucks, trailers, semi-trailers with strength and durable, and can be loaded with heavy weights. The company has designed very well the structure of lower system in order for the capable of loading as heaviest enough as required by laws. Meanwhile, it is easy in controlling vehicles for trailers and semi-trailers manufactured by the company and sold to the clients suitably to the special purpose such as:



- 1) **Truck chassis** : Head of truck to be assembled to the body of truck or trailer.
- 2) **Full Trailer** : The trailer to be pulled by truck chassis by using the pulling arm. This kind of trailer can be designed and manufactured in many features such as plain-floored trailer, high stall trailer, trailer of container for dried cargo, trailer of chiller for frozen cargo, dumping trailer.
- 3) **Semi-Trailer** : Semi-trailer with the pulling in kind of using its head with the installed pulling plate. This kind of trailer can be manufactured in various features such as semi-trailer container, plain-floored semi-trailer, dumping semi-trailer, and semi-trailer for container.
- 4) **Beverage Truck** : The truck for the transportation of beverage. This kind of truck has special characteristic that it can contain much more merchandises, and can be open from the side by hydraulic system, make it easy for the fleeting and can be prevented from the rain and outside dust. The technology has been transferred by Hackney of U.S.A. who is the world big manufacturer of aluminum container.



1.2 The installation of NGV system (NGV Products : NGV)

The Company provides the installation of NGV engine and NGV body to trailer and every type of truck. This kind of product is the new alternative in consuming energy worthwhile to the higher oil price at the present. For example, the installation of 100% NGV, and the installation of NGV with jointed fuel. The is the manufacturer of NGV engine for public bus of The Bangkok Mass Transit Authority (BMTA), and the installation of tank containing NGV for PTT Public Company Limited.

1.3 Fabrication Works, others : FAB

The Company has the modern laser cutting machine and machine for folding and welding of metal enabled to do the work of forming, welding, and assembling of metal box such as aluminum box for the installation on chassis of truck or trailer, semi-trailer. The company can design and assemble of metal box suitably with chassis of every model of truck and every brand. The company can also design and develop the production of aluminum box with high strength, for the installation of communication equipment of the country's defensive for export.

1.4 Transferring of know how work (Know How)

The Company designs, invents, and develops various types of vehicle's body model. The company owns 101 items of the vehicle's body model which have derived the sub-patent from the intellectual properties department. The company is also under the process of register for many more than 19 items sub-patents, or invention patents, or patents for the designing of products from the intellectual properties department. Moreover, the company's working team is also the expert in assembling of the vehicle's body and the installation of engineering work of the truck, trailer, and semi-trailer. The company, then, offers for the right of using the production model, and provide the service of transferring some production technology such as: the container chassis model, the technology in assembling of light-weighted fiber glass box, to the customers who are the foreign manufacturers and the assemblers of the body of truck, trailer, and semi-trailer such as: India, Vietnam. The company will receive the payment of know how fee or royalty fee in accordance with the numbers of product being produced by Using the company's model or technology.



2. Special Design Product

Special designed product group means truck, trailer/semi-trailer which required special design as per customer's requirement. The product required complex technology and precisely engineering system. This kind of product and its qualification can be classified as follows:

2.1. Ground Support Equipment : GSE

This kind of product is the special model vehicle used in the airport with special engineering designed and the complexity and the modernization of engineering system. This kind of product must have high quality and passed the tight international standard from the organization concerning aviation industry such as: ICAO, IATA, airport authority of each country. This kind of product can continuously generate income to the company in high proportion. The company's main product, especially for the catering hi-loaders truck, has been trusted from the customer in group of airline catering from both domestic and international countries. The followings are the product under this group of product:



Sample pictures of Catering Hi-loaders Truck

1) Catering Hi-loaders Truck : This is the truck for loading of foods from airline catering (in-flight services) to the airplane for serving to the passengers. At the present, the company can develop the model structure of new product for old and new airplane. The company can also develop the technology of assembling the body and installing the engineering system by Thai engineers. The company's latest proud is the catering hi-loaders for airbus A380, which is the biggest airplane in the world and required the most precisely engineering system. The company first hi-loaders for Airbus A380 has been delivered to Emirates Flight Catering in 2006.

The strength of the company's catering hi-loaders truck is that it is designed for every size of airplane ranging from small-medium-large. It is designed with the modernization and suitably to the usage such as: half cap hi-loaders, low cap hi-loaders, and normal cap hi-loaders, with the strength and durable, and can be designed suitably to the weather condition in each country such as: country in the middle-east. The catering hi-loaders truck must maintain the temperature and the hygiene of foods loaded. The company's catering hi-loaders truck has been trusted from the customer about the precision easy in cleaning. It can be adjusted as up and down as per the usage of each airplane's model which can be classified into three sizes as follows:

Model	Length (unit : meters)	Height (unit : meters)	Loading weight (unit : kgs.)	Airplane's model
a) X-Cat L	7.8	8	4,500	Airbus A380 ¹
b) X-Cat M	6.5 - 7	6	4,500	1) Model with height of 6 meters such as A340, B777, B747, MD11, DC10, A310 2) Model with height of 5 meters such as B767, B757
c) X-Cat S	4.5	1.2 - 4	2,500	1) Model with height of 4 meters such as A321, A320 2) Model with height of 3 meters such as B727, B737, MD80 3) Model with height of 2 meters such as F100, AVRO RJ 70-RL100, SAAB SF 340, F27 4) Model with height of 1.2 meters such as HEIGHT IN METERS

Remark /1- On 5th October 2011, the company has been awarded for the best innovation from The Organization of National Innovation (public company), Ministry of Science and Technology for the production of catering hi-loaders truck, model X-CAT L for Airbus A380.



2) Passenger Stairway : It is the stairway for passenger in getting on-off airplane. This is the Company's product with high quality and passed tight international standard from the organization concerning the aviation industry.

3) Rescue Stairs Vehicle : It is the rescue stairs vehicle using for getting on-off the airplane in case of emergency. The company has designed and manufactured rescue stairs vehicle for airbus A380 which is the world's biggest airplane at the airport.



Sample picture of rescue stairs vehicle

4) Other group support equipment : The products that company designs and manufactures for many airline such as: repair and maintenance truck, baggage loading truck, truck for patients, truck for waste cleaning, and water tank.

On 30th May 2012, the company has signed an agreement for business alliance with Hanaoka Sharyo Co., Ltd. from Japan, the company famous in producing and assembling of service truck for worldwide airline such as: the baggage cart, the baggage rickshaw, the truck for baggage fleeting in airplane, for the manufacture and the marketing of ground support equipment





2.2 Fire Fighting Truck : FFT

This is the special model truck for firefighting in both low rise and high rise. The company has been transferred the technology from the big European manufacturer. The company firefighting truck has unique qualifications as follows:

1. High-rise firefighting truck: The Company has designed and developed the technology for the truck with 53 meters height. The first production and delivery was on year 2010 to the municipal of Pakkred, Nonthaburi.
2. Water pump and propeller: To be produced from alloy material with the resistance to every condition of water. It can be used for fresh water, salt water, and brackish water.
3. Power in absorbing water: The ability to adjust the pressure of absorbing as required.

From the above qualifications enabled to the company's products to be required by foreign customer such as: Bangladesh, Sri Lanka, and local customers from government and state enterprises such as EGAT and PTTEP.

Rescue truck: The truck for keeping rescue equipment, with the aluminum sliding door and water resistant. There is the vertical and horizon sliding drawer inside. The down side of sliding door, next to the passenger room, can be open and turned to be stair. There is the installation of rescue equipment and live safe inside of the equipment box.



2.3. Military Products : MILITARY

This is the special model vehicle for using in the army, the air force, and the navy. The company can manufacture vehicle for the military properly to the specification as required. The company has been hired from the military in manufacturing and improving models of vehicle such as: light-weighted truck model 50 and model 51 (M1), 4 x 4 drive (canvas roof, metal roof, and fiber roof), improved the truck condition model MB17 and M31A2, fleeting truck.



2.4. Rolling Stock Business : RSB

The group of the train being designed and improved by the company properly to the specification required. In 2005, the company has improved the train cabin from third-class-fanned cabin to second-class-air conditioned cabin in total of 20 cabins, and had already been delivered to The State Railway of Thailand since 2006.

2.5. Full Trailer/ Special Semi-Trailer : SPC

The company can manufacture the special designed semi-trailer with size ranging from 5 axles, 6 axles, and the trailer with size of 14 axles and 16 axles, for the transportation of heavy machine and train bogie, or multi-purposed truck. The company has manufactured the special trailer with size 16 axles for BECL in loading finished concrete used in assembling of express way. This kind of trailer is the longest one in Asian region, with the length of more than 24 meters (excluded pulling arm), it can be loaded for the weights of 100-160 tones/unit. The operating system of 16 axles related to the radius of the turning of the trailer's head, and the big trailer can easily turn. In case of the radius of the turning is narrower or wider, it can be controlled remotely. With the hydraulic system, every wheel is separately independent. Furthermore, it can be adjusted for high and low of the floor between +/-300 millimeters.

3. Project Management and Services

Project management and services mean the group of special services that the company has done in integrating international engineering technology with professional management by the experiences and skillful of the managements and team work. The company, with the long experiences and skillful both engineering works and managements, is able to provide the service of large project management to the customers. At the present, the company provides the following services as:

3.1 The consultant to the project of Offshore Patrol Vessel : OPV



In 2009, the company and the related company (Khonkaen Cho Thavee (1993) Co., Ltd.) and Volrep Truck and Bus Co., Ltd. have joined in providing service of project management for building the heavy offshore patrol vessel: OPV from The Bangkok Dock Company (1957) Co., Ltd. The vessel's model adopted from BAE systems (United Kingdom). The company responsible as the consultant of work in improving vessel's model, work in improving vessel's electric power system from 440 volts to be reduced to 380 volts. The related company responsible for being an advisor to the procurement, financial service, warehouse, logistics, information technology, and repairing service. This project took 4 years in implementing and had already been delivered in 2013. This is the first OPV built by Thai people. Nowadays, the Royal Thai Navy has been given the name of the OPV "HTMS Krabi". In 2017, the company has been a part of project management, and in production of block of the second OPV. It is expected that there will be a project management of the third OPV in 2020. Moreover, the company is built the second offshore patrol vessel (OPV) named HTMS Prachuap Khiri Khan, the water displacement is not less than 1,960 tons. Able to work with a helicopter size not less than 11.5 tons and one lifeboat. Can operate at sea continuously for not less than 14 days without the need for additional logistics. Able to operate at sea level 5, maximum speed is not less than 23 knots (at Full load), the operating is not less than 3,500 nautical miles with a traveling speed of not less than 15 knots. Its ceremonial launch on August 2, 2019.

The Bangkok Dock Co., Ltd. has derived the right on the vessel's model in building OPV for commercial from BAE systems. So, the company has the opportunity for additional work if the navy or The Bangkok Dock Co., Ltd. has the project of building new OPV. It also includes the foreign customer of The Bangkok Co., Ltd. ordering for the OPV as per the above mentioned model. The related company has signed the agreement with the company by not competing in doing such business. The company will be the only project manager in case that there will be such kind of business in the future.

On May 26, 2020, the Company has signed a Memorandum of Understanding ("MOU") with the Defense Technology Institute ("DTI") for the development of 6 units Offshore Patrol Vessel Project Management System of the Philippine Navy.



Project of Repair and Maintenance and Repairing Center for Linfox (Tesco-Lotus Project)

The Company has been trusted by Linfox Transport (Thailand) Co., Ltd. ("LINFOX") and Ekkachai Distribution System Co., Ltd. ("TESCO-LOTUS") as the product manager for the repair and maintenance work and repairing center for the truck, trailer/semi-trailer of all Tesco-Lotus projects. The company responsible for the maintaining of the capability of more than 2,000 trucks in the area of TESCO-LOTUS's Distribution Center (DC). At the present, DC located in 6 centers which are Lamlukka center, Wangnoi center, Samkok center, and Bangbuathong center, Surat Thani and Khon Kaen Center. The company, aiming at the opportunity of increasing income from repairing service, has rented 4 rai of land at Wangnoi, Ayuddhya since 2013 being the repairing heavily center for the truck (in case of long period of repairing), and other repairing services for the company's customers and others. This repairing center enabled to the company's potential in taking much more cares to the company's customers at Wangnoi center which is the location near Bangkok. It also increased the opportunity of providing more services to LINFOX and TESCO-LOTUS. At the present, there are many customers would like to do the Preventive Maintenance (PM) agreement with the company and are under the negotiation.

The Company has the agreement contract to increase the repairing center for Tesco-Lotus within the Distribution Center in order to have the repairing center sufficiently for the trucks.



Sample of KKU Smart Transit bus

Project Management for local transportation within Khon Kaen University or KKU Smart Transit

KKU Smart Transit is a local transportation within Khon Kaen University area. The project uses the Smart Transit System through electronic devices, IT systems and Applications. Recently, the project of Smart Transit was a role model for many organizations in terms of the Smart Transportation operation system.

3.2 Service Group

Truck Body Repairing Center

There are 3 branches of Truck Body Repairing Center including Khon Kaen, Wang Noi and Pattaya branches, which are truck service and maintenance center in addition to repairing service from the project of truck maintenance for Tesco-Lotus, customers in general and customers who brought trucks from the company.



One Stop Service Repairing Center

CHO invested in the Commercial Vehicle One Stop Service Center named “Sib Lor 24-hour by CHO” with the first branch in Chonburi province. It will be expanded more 7 branches nationwide within 2023. Within the year 2021, there will be an additional opening in Surat Thani province, and open 3 more locations in the North, Northeast, South and Lower South, such as Chiang Mai, Udon Thani and Hat Yai, etc. The investment cost is approximately 350 million baht to provides repair service, fully maintenance engine, body and electrical system. This project has continued from the previous service center started its operation since 2011 with satisfy performance. The survey of logistics business requirement reported there is a demand in this business. The company also plans to provide vehicle registration service, taxation service, insurance and sale spare parts and accessories. There are professional technician teams, new equipment and data record system which the data can be linked to each vehicle’s repair history at any service center.



NGV buses procurement for Bangkok Mass Transit Authority (BMTA) with Repairing and Maintenance Service for a period of 10-year

SCN-CHO Consortium, which has established together with Scan Inter Public Company Limited and Cho Thavee Public Company Limited, has signed a purchase and hiring contract of 489 units of NGV bus procurement and maintenance service with the Bangkok Mass Transit Authority on December 27, 2017. The project valued 4,261 million Baht (VAT included) including bus procurement valued 1,891 million Baht (VAT included), repairing and maintenance service valued 2,370 million Baht (VAT included).

Details on delivery of NGV bus			
Delivery No.	Amount (Unit)	Delivery Date	Details
1	100 units	April 26, 2018	Payment received on November 15, 2018
2	100 units	November 27, 2018	Payment received on December 7, 2018
3	100 units	December 17, 26, 2018	Payment received on January 15, 2019
4	40 units	February 20, 2019	Payment received on March 15, 2019 and April 11,2019
	60 units	February 28, 2019	
	89 units	March 26, 2019	



(2) Marketing and Competition Situation

(A) Marketing policy of key products and services

Marketing

1) Product

The Company has its policy aiming at the development of the products to meet the international standard quality responded to the customers' requirements, especially for the commercial customers. In addition, the company looks forward to the research and development of products continuously. The company products have been certified for the international standard quality.

The Company provides a full range of services ranging from the stage of designing to after sales services. The Company lends the significant from the stage of designing as per customers' requirements which must be interviewed in detail by the sales department. The Company also has done a research in order to save cost and meet the customers' needs for example designing and

renovating the old container to look like 80% brand new by using only 60% of the cost. The Company designs delicately the vehicle's body to meet the customers' requirements. The procurement of every unit of equipment and parts must have quality which being passed the standard inspection and controlling ISO 9001:2015. The production is computerized operated in sending, collecting of information in each step starting from the draft of each job until the completion, and tested for the usage.

The Company also emphasizes on the after sale service to be corresponded with the Company service principle that "The wheeling is the important factor of your transportation, and we recognize to such importance. So, we emphasize on the after sale service specially, for every wheel of your truck always turn under every situation".

For the product that the Company has no expert in production or the incompetent of the required specification, the company will search for the business alliance with the expert and potential in production. This will be done under the business

cooperation agreement or the establishing of new juristic person in form of joint venture. The joint venture, then, can define the invest portion, the objective of establishing, the authority and responsibility of each party, and the period of the operation.

2) Pricing Strategy

The Company has the policy in operating by concerning to the readiness of human resources and others before entering in getting the job. The Company has the pricing policy by considering of cost plus margin. The total costs of products and services comprising of material and equipment costs, component costs, the direct labor costs which computed from the estimated time of production, manufacturing costs, financial costs, and allocation costs, costs of reserved for material and equipment price, warehouse costs and guarantee and warranty cost. The engineering department and the production department work together in duplicating the product structure in detail, for being factor in calculating material and equipment quantity, and production time. In case of the purchase of material and equipment, or component from abroad, there will be the costs of reserved for currency exchange added in the costs computation. However, the price offered to the customers must be considered as competitive price and corresponded to the market situation.

In case of there is the order of purchasing or manufacturing between the company and Cho Thavee Thermotech Co., Ltd. (The subsidiary company), the pricing policy will be determined as related transaction price by considering the total costs of product or service plus 5%. In case the customers would like to buy light-weighted fiber glass chiller truck from the subsidiary company, but there must be the assembling and the installation of light-weighted fiber glass chiller connected to the chassis of truck or trailer/semi-trailer, the subsidiary company will issue the job order to the company

in operating such job.

3) Channel of Distribution Strategy (Place)

The Company emphasizes on the direct sale applying pro-active and efficient marketing strategy through two channels which are the attendance of bidding and direct contact with the contractor. At the present, the company's sales department comprised of 3 domestic teams and 1 foreign team. Details are as follows:

1. Domestic Sales Team

1.1 Sales team for private customers: This is the sales team who sell the products directly to private customers in the country. There are 2 following types as:

- Selling to the entrepreneur doing the business of logistics or the business of manufacturing and selling of products. The entrepreneur can request the company for the procurement of truck's head. The entrepreneur can also buy truck's head directly from the dealers such as MAN, VOLVO, HINO, ISUZU, MITSUBISHI, and let the company do the job of manufacturing, assembling, and installing of the truck's body or various trailers connected to the chassis of truck's head.
- Selling through the dealers of pick-up truck. Sales team will contact directly with the dealer of pick-up truck for the manufacturing and installing of the body or the trailer. When the dealer's customers place order for the manufacturing and installing of the body or the trailer, the dealer will send the job to the Company.

1.2 Sales team to the government organization : The products sold are those for special purposes such as: the garbage truck, water tank truck, the truck for loading electric pole, and the truck for loading heavy machine.

1.3 Special project sales team : Emphasize on the sale of special products such as the vehicle for the army, and state enterprises.

2. Foreign sales team : Emphasize on the sale of special designed products in the type of ground support equipment (GSE) used in the airport such as catering hi-loaders truck which are sold to the Asian countries, the southeast Asia, and the Oceania, as per the agreement with DOLL Fahrzeugbau GmbH, Germany. The Company will sell through the dealer, or sell directly to the foreign customers in some case. There is the agreement between the Company and the dealer that the dealer will be the coordinator in taking care of the repairing of the company's products sold abroad within the warranty period. The company does not responsible for the after sales service expenses. In case that the company does the marketing or enter into the bidding directly with the foreign customers, there will be higher after sales service costs than being sold through the dealer, and the company will add such costs to the computation of selling price. In 2020, the Company's most portion of sale in foreign countries was the special designed products as follows:

- Approximately 69.58% of sale in foreign countries derived from the customers in Asia, such as Singapore, Korea, Hong Kong, Japan and Vietnam.
- Approximately 30.42% are Catering Truck sold to every country worldwide, such as New Zealand.

4) Promotion Strategy

1. The Company emphasizes on the after sales service as The Company's public relation, closely and building good relationship with the customers. Especially to the foreign customers, since it is the way to build the confidence and trust to the customers. For example, to give the advice and the repair & maintenance of engine by information technology through computerized system

(remote service), and the advice to the usage and other after sales service, and to evaluate the performance in each 3 months.

2. The Company lends the significant to publicize the company's products directly to target customers. The company's public relation was made through many media such as magazines, trade fair exhibition, various electronic media, including the sending of information direct to the customers.
3. The Company has its group of products to be categorized and the classification of responsible team work comprised of: the group of domestic customers, foreign customers, customers from government organizations, and the customers of special project group. This enable to the company in taking care and providing, including the corresponding to the customers' demands as well.

Target Customers

The Company manufactures and sells its products to the customers both in the country and outside the country. Most of the customers are the entrepreneur doing the business of product transportation, the business of manufacturing and selling of products with many locations of distributing throughout the country, and governmental organization such as The Bangkok Metropolitan, the organization of rural administration. The Company manufactures the products as per the customers' order (made to order). The target customers of the company can be categorized in group as follows:

1. **The group of domestic customers :** The main group of domestic customer is the entrepreneur in the business of transportation and logistics, and retail sale. Most of the products sold are the standard products such as: trailer/

semi-trailer, dumping trailer, dumping pick-up truck, rickshaw with low outskirts semi-trailer, fiber glass trailer, trailer with presentation X-lift, the truck for the transportation of gas with long tube, chiller (the subsidiary company's product).

2. **The group of foreign customers :** The main group of foreign customer is the entrepreneur in the business of transportation and logistics, airline catering, in-flight service, and aviation business. Most of the products sold are specialization designed products in type of ground support equipment (GSE) for using within the airport such as catering hi-loaders truck.

The company does not depend on each customer significantly. List of the well-known customers both domestic and foreign can be summarized as follows:

No.	Domestic customers	Products sold	
1	Repairing and Producing Military Care Factory, Royal Thai Army Ordnance Department	105 mm. Light Gun restoration (Full trailer)	
2	Worldwide Flight Services Bangkok Air Ground Handling Co., Ltd (BFS Ground)	Catering hi-loaders truck	
3	United Farmer & Industry Co., Ltd	Sugar cane sidedrump truck	
4	Bangkok Mass Transit Authority (BMTA)	Air conditioned NGV bus	
5	Mitr Phol Sugar Corp. Ltd.	Sugar cane sidedrump truck	
No.	Domestic customers	Country	Products sold
1	Shimizu	Japan	Rescue truck
2	MAN Truck and Bus Hong Kong Limited	Honk Kong	Catering hi-loaders truck
3	Automation Electrotex Rearmaties	Singapore	Container truck
4	Morita	Japan	truck
5	SATS Airport Service	Singapore	Catering hi-loaders truck

(B) Industrial and Competition Situation

Industrial Situation

The Company's main products which were the best seller in the past 3 years comprised of the group of special designed products in type of ground support equipment (GSE) used in the airport such as catering hi-loaders truck, the group of standard products in type of truck, trailer/semi-trailer which being sold to most of the entrepreneurs doing the business of transportation and logistics. So, the industrial situation analysis will be divided into 2 industries which are the aviation business and logistics business, with details as follows:

1. Airline Business

The International Air Transport Association (IATA) has lowered its forecast for the aviation industry after the new wave of COVID-19 pandemic. Aviation industry worldwide are expected to loss of 157 billion Dallas for this year and the year after.

IATA projected that aviation industry will loss 118.5 billion Dollars this year, and will loss more of 38.7 billion Dollars in 2021, increased from the previous projection in June that airlines around the world will have a combined loss of approximately 1 billion Dollars in two years.



IATA estimated that passengers will decrease to USD 1.8 billion this year from USD 4.5 billion in 2019 and will recover to 2.8 billion Dollars the year after. While revenue from passengers in 2020 decreased 69%, reached USD 191 billion.

However, the figures based on the projection that there will be a huge international border opening in the middle of next year. (Source: International Air Transport Association (IATA))

Thai Aviation Industry during COVID-19 crisis

The COVID-19 pandemic has had a wider impact on the global economy in both service and industrial sectors. One of the businesses that has been highly affected is the airline business. On a global scale, the number of people infected with COVID-19 is continually higher, reaching 3,000,000 persons (as of April 27, 2020). As a result, many countries around the world take measures of lockdown cities or even close down the border in order to prevent spreading the disease by travelling. Resulting in the number of international flights entering or leaving the country with the COVID-19 pandemic significantly decreased in March 2020, such as, China; -82% YOY, South Korea; -70% YOY, Italy; -60% YOY. It caused international flight cancellation of 80-90% from March 2020 until at least May 2020. Regarding the event, IATA has evaluated the impact of COVID-19 pandemic to worldwide aviation business (as of April 2020) under the assumption that the country lock down measures will be cancelled, domestic airlines will be able to operate after the second quarter this year, international flights will be recovered only 50% in the fourth quarter as it will take a long time to unlock the international travel ban. There are also the effects of the economic slowdown that has led to the decline in travel, causing a decrease of Revenue Passenger Kilometers (PRK) worldwide in a number of -48% YOY, at the same time, airline revenues around the world tend to be less than USD 314 million or -55% YOY.

For Thailand, the COVID-19 severely affected the aviation business, causing many airlines to temporarily suspend their services from March 2020 until at least the end of April 2020. Thai airlines had suspended all their international routes, such as, Thai Lion Air during March 25 – June 30, 2020, Thai Airways during March 25 – May 31, 2020, and Thai AirAsia during March 27 – April 2020. As a result of the continued decline in passenger traffic on international routes, passenger traffic has continued to decline from the end of Jan. 2020, and declined even more after the Civil Aviation Authority of Thailand (CAAT) issued a procedure for airline passengers who travelling to Thailand must have a medical certificate and a health insurance. This caused a decrease in the international passengers traffic in the main 5 Airports of the Airports of Thailand (AOT), decreased almost -100% YOY. For the domestic routes, Thai Air Asia and Thai Lion Air having market share in a combination of 50% had suspended their flights from the end of March 2020 as a decrease of foreign and Thai passengers that trend to decrease until at the beginning of April 2020, a number of passengers in 22 local airports, decreased 98% per day. Airlines requesting a temporary suspension of service can apply for permission from CAAT to return to the flight early.

(Source: Economic Intelligence Center: www.scbeic.com)

2. Logistics Business



According to the annual transportation statistics as of 31 December 2020, it appears that the total number of registered trucks (cumulative) nationwide is a total of 1,173,801 vehicles, increasing by 2.10 percent from the same period in 2019 and the number of business licenses. Transported by truck (cumulative) nationwide as of 31 December 2020 with a total of 384,273 copies, a decrease of 0.12 percent from the same period in 2019.

An annual transport statistics table showing the number of registered trucks (cumulative) nationwide as of December 31, 2019 and 2020

Type of Trucks	Units		Percentage change 2020/2019 [Increase, (decrease)]
	December 31, 2020	December 31, 2019	
Total	1,173,801	1,149,668	2.10
Divided by - Without routes	361,357	339,124	6.56
- Personal	812,444	810,544	0.23

(Source : Transport Statistics Sub-Division, Department of Land Transport <https://web.dlt.go.th/statistics/>)

An annual transport statistics table showing the number of trucking operator licenses and transport operators nationwide as of December 31, 2020 and 2019

Type of Trucks	Number of trucking operator licenses		Number of transportation entrepreneur	
	2020	2019	2020	2019
Total	384,273	384,734	384,273	384,734
Divided by - Without routes	32,985	30,364	32,985	30,364
- Personal	351,288	354,370	351,288	354,370

(Source : Transport Statistics Sub-Division, Department of Land Transport <https://web.dlt.go.th/statistics/#>)

Competition

There are not much more competitors of the Company's standard products, since most of them are special designed which have been registered of the patent, and are under the process of the registration for innovation patent or product designing patent. The Company also applies the modern technology, and the installation of engineering system for creating the differentiation of the products. There are some local customers who manufacture and assemble the truck's body, trailer/semi-trailer alike to the company's products. Most of the foreign competitors are those in the competing of special designed products group such as catering hi-loaders truck, ground support equipment, firefighting truck. The domestic and foreign competitors are summarized as per type of product as follows:

The competitors	Country	ประเภทผลิตภัณฑ์
Domestic		
1. Panus Assembly Co., Ltd.	Thailand	Truck, trailer/semi-trailer
2. Sammitr Motors Manufacturing Plc.	Thailand	Truck, trailer/semi-trailer
3. RCK Rung Charoen Co., Ltd.	Thailand	Truck, trailer/semi-trailer
4. Chase Enterprises (Siam) Co., Ltd.	Thailand	Firefighting truck
Foreign		
1. Aero Mobiles Pte Ltd.	Singapore	Catering hi-loaders truck/ Ground Service equipment
2. Mallaghan Engineering Ltd.	Ireland	Catering hi-loaders truck/ Ground Service equipment
3. DOLL Fahrzeugbau GmbH	Germany	Catering hi-loaders truck/ Ground Service equipment

(3) Products and Services Procurement

Production

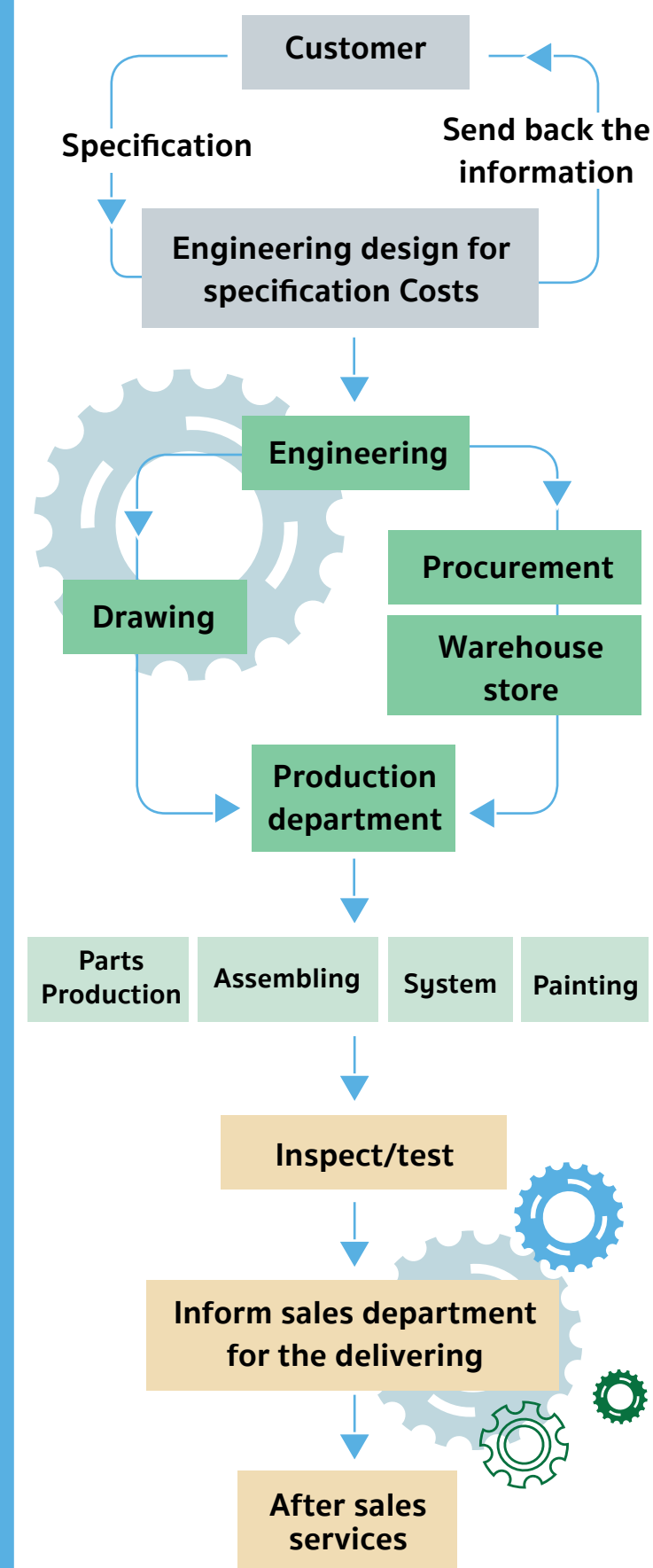
The Company manufactures the products as per customers' requirement (made to order). The Company applies modern engineering technique and the skills of employees in designing, manufacturing, assembling, and installing engineering system for various types of truck. It takes about 120 days in average from agreement date until the delivery of product for the group of special designed products, depends on the timing of sending materials and equipment from the company's vendors, especially for the order sent from abroad. It is also depends on the complexity of the production.

The Company's factory locates on the land of 50 Rai at Khonkaen. The Company has the completely modern machines. In the process of production, there are the planning and the managing of effective production. The company applies the computer system in each process starting from drafting of job until the completion. The process of procurement and production being shown as follows:

Product Procurement Process

1. When the customer place an order for the product, the sales department will forward the structural specification chosen by customer, or sale order check sheet, and product's detail to the designing engineer department for the duplicating, calculating of material quantity, and calculating of costs.
2. After finishing the first step, the designing engineer department will send the specification back to the sales department for determining price and informing customer.
3. Once the customer agrees on the specification, price, and conditions, the designing engineer department will inform and send the structural design of product to the production department.
4. The production department informs detail of materials required for production to the procurement department for purchasing of raw material and/or outsource of component job or service.
5. The production department draws the raw materials from warehouse for the production of parts/assembling of the body/installing of system work/sand painting/color waxing.
6. Once the production was finished, it must be inspected and tested before informing the sales department for making the appointment with the customer about the inspection and the delivering of the product.
7. The sales department delivers the product to the customer, and coordinates for after sales services.

The Procurement Process chart

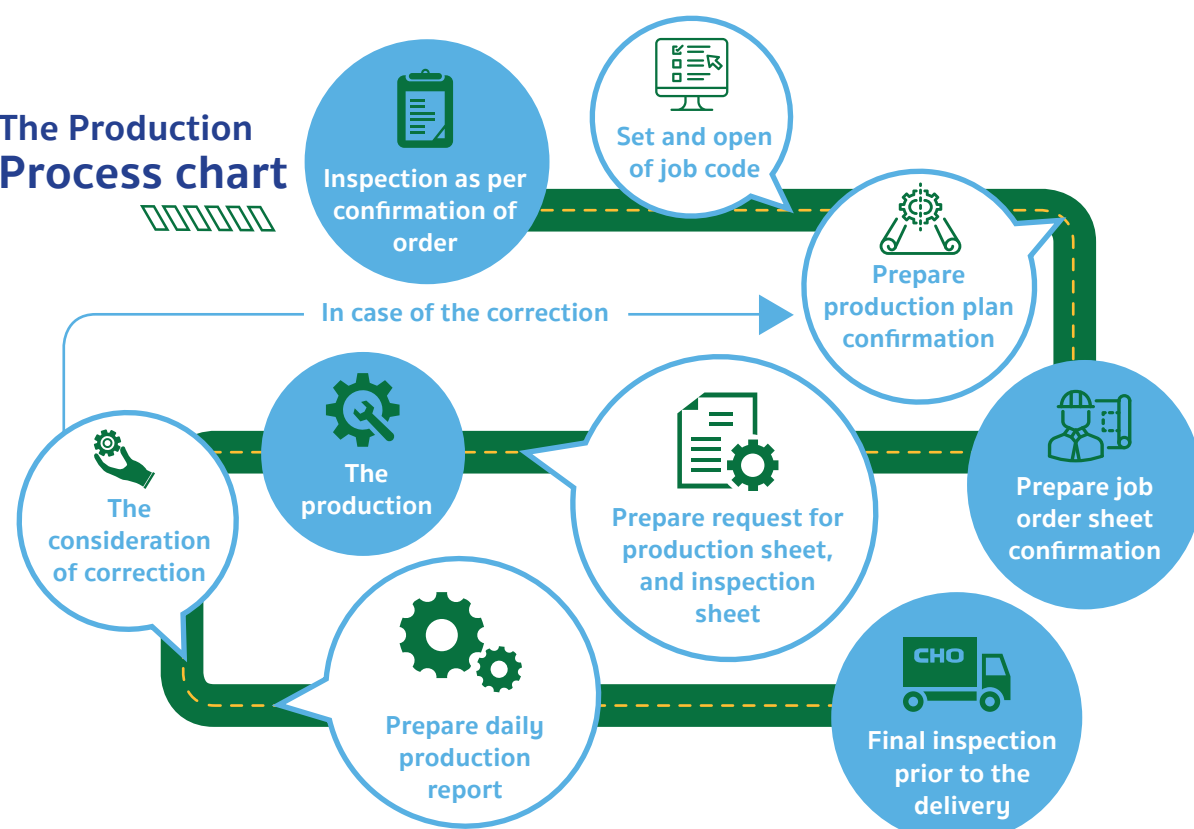


The Production Process



- 1) Production manager and controlling engineer inspect the job description and other specifications needed for the production.
- 2) The administration officer set job code on the receipt of order and open job code in accounting system.
- 3) The controlling engineer does the production plan by referring to information from sale order check sheet.
- 4) The controlling engineer and the administration officer prepare the request for production sheet from engineer department, and job order sheet of the related section.
- 5) The controlling engineer manufactures in accordance with the planned process. In case of any correction, there must be the adjusting of plan once in twice weeks.
- 6) To prepare daily production report and/or non-conforming report, if any, and record the inspection on inspection sheet.
- 7) The final inspection prior to the delivery.

The Production Process chart



The Company will consider many factors before getting the job, in order to prevent the risks that may affect to the company's operation. The Company will evaluate the potential of customer from fundamental information such as financial position, the executive's faithful, and business operation history. There will be fewer risks from payment for the job from government sector, since the budget has been approved from the government. But there are fewer profits compared to job from private sector. There may be more risks from delayed payment of default of payment from the private sector's job, but the profits are as the company's policy. The company also considers to the readiness of the company such as the quantity of work under the operation and non-delivered job, number of human resources, tools and equipment, and working capitals, in order to ensure the customer that the operation will be finished complied with the contract's conditions.

Procurement Process

At the present, the company has total 5 employees working on procurement including 4 domestic procurement employees and 1 international procurement employee. When the company purchases raw material, it will consider the information about material quantity used in production from the costs designed engineering department. The information will be checked with the information in the warehouse whether to the availability of required material or the quantity of material enough for the production or not. The procurement department, then, will check the price from the vendors listed in the company's vendors list, for the conclusion of the procurement and delivery date.

The Company's vendors can be classified as domestic vendors and foreign vendors as follows:

- **Domestic vendors** : The Company will purchase materials and equipment from domestic vendors for the products that can be purchased within the country such as truck's head, chassis, metal, aluminum, wire, painting, supplies. The company will check raw material price with 3-5 vendors who have passed primary basis consideration, in each time of purchasing each type of material, such as branding of product (in case that required by customers), the quality of material, the quantity of the products. The price will be quoted and compared to the terms and conditions such as branding, quality, pricing, discounts, and delivery time, prior to the decision making and agree on the procurement.
- **Foreign vendors** : The Company purchases the special material from the foreign vendors. The company sets its policy in purchasing directly from the manufacturer or the distributor of each type of material.

Table showing value and portion of domestic procurement and foreign procurement in 2018-2020

Amount of purchase	2018		2019		2020	
	Million baht	%	Million baht	%	Million baht	%
Domestic	1,563.86	80.45%	1,392.60	83.07%	336.41	87.08%
Foreign	380.05	19.55%	283.76	16.93%	49.91	12.92 %
Total	1,943.91	100.00%	1,676.36	100.00%	386.32	100.00%

Outsourcing of Job

The Company outsources the kind of job like metal lathing, metal cutting, and metal folding, for the component in size and design as required, or the job of sand/color painting. Most of these jobs required not much skillful. The objective is that the employees in the production department are able to operate the skillful and experienced production with effectiveness, and can also have the production process being done simultaneously for the reducing of the production time.

In case of necessary for the job outsourcing, the procurement department will contact 2-3 contractors who have passed primary basis consideration, in offering the services and quoting of price. The offering document will be compared on terms and conditions such as price, discounts, and the readiness of team work. The procurement department, then, will consider for the selection and agree on the outsourcing. The company will do the evaluation of the contractors continuously as same as doing with the vendors who sold material to the company.

Environmental Effect

Since 2010, the Company has not received any complaint concerning the environment from surrounding areas. The company concerns much to the effect from the production process. The company has determined the direction in managing the environment within the factory, such as the method in removing dust from the paint, in order to avoid the troubles to the neighbor and the environmental effect to the employees and the community around the factory. The company has also open for suggestions and advices offered from the channel of Facebook.

Product and Service Characteristic of the Subsidiary Company Associate Company, and Jointly Controlled Entities

บริษัทย่อย

1. Cho Thavee Thermotech Co., Ltd. (“CTV-TMT”)

Cho Thavee Thermotech Co., Ltd. (“CTV-TMT”) does the business of designing, manufacturing, and installing of truck for loading light-weighted fiber glass chiller for both of dry container (without refrigerator) and cold container. This kind of truck is used for the transportation of fresh and dry cargo such as plant, vegetable, fruit, meat, sea animal, bakery, milk, ice. This kind of truck can be applied for the transportation of other goods such as flower, herbs, drugs, blood, and some kind of chemical substance. This kind of truck based on the principle that it must maintain the quality of product by controlling the temperature from beginning to the destination at the same condition. With the technology of sandwich GRP supported with fiber glass structure making the heat-resistant insulator working with full effectiveness, prevent of water leak, shape maintaining, to increase life of usage. The truck installed CTV-TMT chiller has the weight of 35%-40% less than that of the competitor’s truck which used other material. CTV-TMT truck is stronger than that of the competitors, with special technology in supporting the strength inside, the components are also the standardization ones. The additional equipment can also be installed inside the chiller such as: double deck for separating pallets into 2 levels, jumbo box trailers to be installed on 2 axles and 3 axles chassis.

The Company has already bought the technology of sandwich GRP from the French owner of such technology. At the present, CTV-TMT is the only manufacturer in Southeast Asia who can manufacturers GRP with the continuous length at the maximum of 15 meters. The truck installed GRP has many types such as: pick-up truck, six-wheeled truck, eight-wheeled truck, ten-wheeled truck, semi-trailer, trailer, and large fiber glass chiller truck.

2. Amorn Rattanakosin Co., Ltd. (“ARK”)

Amorn Rattanakosin Co., Ltd. provides a passenger transport service using Smart Bus and Big Data management. ARK was found in 2018, since then ARK prepare data for passenger transportation, and there is a study of the operation plan for passenger bus transportation, provide a presentation to customers. From the beginning of the business to the present, ARK has no any order. ARK has also been affected by the spread of Covid-19 virus.

As of December 31, 2020 and December 31, 2019, there are major expenditures on consultancy fees and staff expenses. ARK still has no income, resulting in a net loss of Baht 6.30 million for the fiscal year 2020, and a net loss of Baht 7.51 million for the fiscal year 2019 respectively. There are liabilities of Baht 18.49 million for the fiscal year 2020, Baht 11.74 million for the fiscal year 2019 respectively. The management plans to obtain additional funding from the parent company in the form of capital increase and loan to support its future operations.

Associated Company

1. KLRT Co., Ltd. (KLRT)

KLRT is a Freight forwarder and provider of business related to transportation. Cho Thavee invested 49% in KLRT in an amount of Baht 2.82 million , and In year 2020, shared a net loss of Baht 0.48 million, a capital investment remains in KLRT of THB 2.34 million, specified in note to the financial statements item no. 6, Investments in equity instruments that are not in market demand.

2. ALLs Holding Co., Ltd. (ALLs)

ALLs is an importer of vehicle, vehicle spare parts, and engines, import to assemble, sales or hire purchase. Vehicle transport, vehicle and spare parts import for assembling for sales or hire purchase. Investment in business related to production and assembly, public transportation and other business

related to public transportation. Currently, ALLs has a relationship with CHO as stipulated in the financial statements that it is Investments in equity instruments that are not in market demand, CHO invested 6.25% in ALLs, in an amount of THB 25 million. There is an opening of Taxi service in London Taxi style under the name of CABB Taxi.

Jointly Controlled Entities

1. JVCC Joint Venture

JVCC Joint Venture was established to participate in the bidding, to produce, to assembly, and to repair NGV bus. The Joint Venture joined bidding for the procurement and maintenance service of 489 NGV buses with the BMTA. JVCC Joint Venture has won the bidding at the offering price value of 1,735,550,000 Baht, and the repair and maintenance of NGV bus with spare parts for 10 years contract value of 2,286,312,531.75 Baht. The contract is signed on June 12, 2015, and then on December 2, 2015 the BMTA handed in a notification of contract termination. JVCC Joint Venture by Cho Thavee Plc. has submitted an appeal letter to the issuing authority and related agency but it was invalid. The meeting of the Joint Venture had a resolution to proceed with the prosecution to the Central Administrative Court. The prosecution was to asking for the juridical order demanding five defendants to revoke the order together or act for, and to compensate for financial damages and other expenses in an amount of 841,519,965 Baht with the cost of 250 NGV buses that were produced and prepared for delivery in an amount of 121,520,000 CNY (equaling to 668,360,000 Baht as of February 23, 2016) with an interest rate at 7.5% p.a. from the date of filing until the five defendants pay to the plaintiff. The Central Administrative Court has notified the date of the end of the investigation, the parties wishing to submit additional documents must proceed within July 10, 2020. Currently, waiting for the notice and the hearing of the judgment from the Central Administrative Court.



2. Lekise and Cho Thavee Joint Venture

Lekise and Cho Thavee Joint Venture was established to prepare for LED lighting system installation in buildings of Royal Thai Navy. From the beginning of the business to the present day, Lekise and Cho Thavee Joint Venture still has no order. It has not yet processed a request for a taxpayer identification number with the Revenue Department, and is in the process of the cancellation of Joint Venture contract.

3. JVCKK Joint Venture

JVCKK Joint Venture was established to prepare for building a depot for Offshore Patrol Vessel (OPV). From the beginning of the business to the present day, JVCKK Joint Venture still has no order. It has not yet processed a request for a taxpayer identification number with the Revenue Department, and is in the process of the cancellation of Joint Venture contract.

4. JVOPV Joint Venture

JVOPV Joint Venture was established to join bidding, and to prepare for business operation. Its purpose is to build the Offshore Patrol Vessel blocks (OPV Project). From the beginning of the business to the present day, there is still no order as no business operation. It is in the process of registering to wind up the business. The expenses incurred are the accounting and audit fees and other fees.

5. KLRTT Joint Venture

KLRTT Joint Venture was established for tendering the project of Operation, Maintenance

and Services in the Light Rail Transit Systems in the category of TRAM and Transit Oriented Development for the Project Khon Kaen Smart City (Phase 1) for a period of 30 years. It is a project management without any rights of assets, revenue shares with the project owner. On January 6, 2020 KLRTT Joint Venture has been selected according to the offered works. Currently, it is in the process of applying for tax ID and VAT, and jointly providing sources of fund for project owners to start implementing the project, forecasting to begin by 2021.

Stimulated pictures
of Light Rail Transit system



6. “SCN-CHO Cooperation” Consortium

“SCN-CHO Cooperation” Consortium was established to operate the project of procurement of Natural Gas Vehicle (NGV) provided to the Bangkok Mass Transit Authority (BMTA) with maintenance service, 489 units, with a project value of THB 4,261 million (Vat included), divided into the bus value of THB 1,891 million (Vat included) and maintenance service value of THB 2,370 million (Vat included). On March 12, 2020 the 489 buses have been completely delivered, and on April 11, 2020 the vehicle has been paid for the full amount of the contract and remains only for value of repair and maintenance service of the bus for a period of 10 years. The maintenance service contract of “SCN-CHO Cooperation” Consortium will be

maturity in 2028. The maintenance service center is located in the BMTA’s area in Bangkok, and there are 4 service centers in the areas.

An example of SCN-CHO product



An example of maintenance service center
of SCN-CHO



7. CKKM Joint Venture

CKKM Joint Venture is established to bid for the project of Khon Kaen infrastructure, Light Rail Transit, for the project named Khon Kaen City Development by Khon Kaen Transit System Co., Ltd. The project owner (an enterprise of 5 Municipalities of Khon Kaen Province) for Civil Works and Structure as well as Production and Installation of the Light Rail Transit System in the category of TRAM and Transit Oriented Development Project of Khon Kaen Smart City (Phase 1) with a contract period of 3 years. According to the TOR, the value of the investment has not been specified. Details of the capital investment will be contained after the operational plan has been concluded. It is projected that the capital investment will be at least 15,000,000,000 Baht (Fifteen billion Baht)

On January 6, 2020, CKKM Joint Venture has been chosen as the project proposed. Currently, it is in the process of applying for tax ID and VAT, and jointly providing sources of fund for project owners to start implementing the project, forecasting to begin by 2021.



8. Cho Thavee-KIET Joint Venture

Cho Thavee-KIET Joint Venture is established to bid for the project of bus leasing (new) with maintenance service providing to Government agencies or state enterprise. Cho Thavee-KIET Joint Venture is preparing for the company registration process. When bidding for the projects of government agency or state enterprise and not selected as a contractor or when selected as a contractor and completed the project and the payment has been made in full according to the contract including the end of obligations under the contract.

Marketing and Competition Strategy of the Subsidiary Company

(A) Marketing

Marketing

1) Product strategy (Product)

The subsidiary company emphasizes on the manufacture of quality and standard products responded to the customers’ demands. The subsidiary company’s products have the different qualifications with other manufacturers such as: the modernization, light-weighted, durable, and easy in repairing.

At the present, the subsidiary company is the only manufacturer in Southeast Asia who can manufacture sandwich GRP with the continuous length at the maximum of 15 meters.

2) Pricing strategy (Price)

The subsidiary company quotes sale price by considering from price list as per model and specification in catalogue. Price in price list will be adjusted as the latest price referred to actual costs of production in each period. In case that the customers require for the installation of other special supplement of equipment, the price will be increased for such supplement equipment. The subsidiary company set the price as competitive price and corresponded to market situation.

3) Channel of distribution strategy (Place)

The subsidiary company emphasizes on the three main channels of distribution as follows:

1. The direct sale: By implementing pro-active marketing strategy from sales team in reaching the customers directly.
2. Word of mouth from the subsidiary company’s customers.
3. Word of mouth from the rickshaw distributors.

4) Promotional Strategy (Promotional)

The subsidiary company lends the significant of its public relation activities as follows:

1. To provide the friendly services for good relationship with the customers, especially for the after sale services such as: to advice on the usage and repair & maintenance.
2. To promote the products through trade fair exhibition such as: THAIFEX world of food Asia 2012 at The Impact Muang Thong Thani.
3. The company has customer visit activities according to customer’s activities and annual customer visit plan. The company also joint with customer’s activities such as making merit and New Year party.

The target customers

The subsidiary company’s target customers are mostly the customers likely to the company’s customers. Since the customers who purchase the products are mostly the entrepreneurs in the business of logistics requiring for the maintaining of quality. The subsidiary company’s products are made as to the order from customers.

(B) Industrial and competition situation

Industrial situation

The subsidiary company’s main products are the light-weighted fiber glass chiller for the truck, trailer/semi-trailer, which are the group of standard products of the company. Information about industrial situation can be considered from the information of the business group of container manufacturing for truck, and trailer/semi-trailer. In addition, most of the customers are the entrepreneurs of transportation and logistics group. So, the analysis of industrial situation of the subsidiary company will be divided into 2 industries which are the business of container manufacturing, and logistics business.

Competition

The subsidiary company’s competitors comprising of:

The competitors	Country	Type of product
1. Lumberet Asia Co., Ltd.	Thailand	Manufacturing and installing of GRP
2. Rujolarn Co., Ltd.	Thailand	Manufacturing and installing of stainless steel Wall chiller
3. Carryboy Marketing Co., Ltd.	Thailand	Manufacturing and installing of GRP

Products and Services Procurement of the Subsidiary Company

Production

The subsidiary company’s production is made as to the order of its customers, by applying the modern technology in manufacturing sandwich GRP with the supplementation of metal structure combine with fiber glass.

The subsidiary company locates in Khonkaen, on the same site of the company. The subsidiary company has the modern machine and is under the expansion of production capacity for one additional production line. There are the planning and the effective production management in each of production process. The subsidiary company also lends to the significant of the inspection and quality control of its products as to the company.

The procedures of products procurement and production process of the subsidiary company are as same as that of the company.

Product procurement

The subsidiary company let the company do the domestic procurement. The subsidiary company has its own 1 employee in taking charge of foreign procurement. The subsidiary company’s main raw material used in the production was purchased directly from most of the manufacturer and the distributor in the country. Anyway, the subsidiary company does not depend significantly on any vendor solely.

Outsourcing

This is incurred under the case that there are the assembling and the installing of fiber glass chiller, bought from the subsidiary company, to be welded with the customer’s truck chassis or of trailer, or trailer/semi-trailer; or purchases the finished truck with fiber glass chiller. The subsidiary will send job order request to the company for the assembling and installing.

Environmental Effect

The subsidiary company lends much significant to the effect caused by the production which may cause the smell pollution, dust, and chemical substance residue. The subsidiary company’s procedures in prevent the environmental effect are as follows:

- (A) The smell pollution: The subsidiary company uses ventilator fan through water spray curtain.
- (B) The dust pollution: To be collected through water spray curtain and sent to the sub-contractor for destroying.
- (C) The chemical waste pollution: Collection companies and contractors to carry out the destruction.

(4) Commercial Assets as of December 31, 2020

Asset Items	Ownership
1. Land and land improvement	
1.1. Title deed no. 11622,39614,50100 Muangkhaio subdistrict, Muang Khon Kaen district, Khon Kaen province, in total of 3 deeds, total area of 48-2-16.1 rai	CHO
1.2. Title deed no. 4552, Pralub subdistrict, Muang Khon Kaen district, Khon Kaen province, total area of 9-1-8.5 rai	CHO
1.3. Title deed no. 100646-50, 100659 Nai Muang subdistrict, Muang Khon Kaen district, Khon Kaen province, total area of 0-1-08.9 rai	CHO
1.4. Title deed no. 73096 Koksi subdistrict, Muang district, Khon Kaen province, total area of 7-1-67 rai	CTV-TMT
1.5. Land under possession right, Tha Phra subdistrict, Muang Khon Kaen, Khon Kaen, total area of 6-3-64 rai	CHO
2. Building and building improvement	
2.1. Buildings no. 265 moo 4 Klangmuang road, Muangkhaio district, Muang Khon Kaen, Khon Kaen (deeds no. 39614, 50100 and 11622)	CHO
2.2. Factory at Chonburi no. 66/5 moo2, Pong district, Bang Lamung, Chonburi (Title deeds no. 47813 and 49992 land in 7-0-30 rai the company made a lease contract with the leaseholders.)	CHO
2.3. House no. 173/51-55,67 Nai Muang subdistrict, Muang Khon Kaen District, Khon Kaen	CHO
2.4. House no. 5 (Riverside house) Koksi subdistrict, Muang district, Khon Kaen province	CTV-TMT
2.5. Building of One Stop Service center (deeds no. 89117, area of 13-2-72 rai, the company made a contract with the lease rights holder)	CHO
2.6. Building of Bang Bua Thong service center (Title Deed no. 159991, the width area of the land is 15 meters, the large is 40 maters, the company made a lease contract with the leaseholders.)	CHO
2.7. Building of NGV Maintenance service center of BMTA	CHO
3. Machine and equipment	CHO and CTV-TMT
4. Decoration and office stationery	CHO and CTV-TMT
5. Vehicle	CHO and CTV-TMT
6. Assets under construction (factory building under construction, Production machinery during idnstallation	CHO and ARK
7. Product display	CTV-TMT

Remark

(More details disclosed in enclosure no. 4)
CTV-TMT is Cho Thavee Thermotech Co., Ltd
ARK is Amorn rattanakosin Co., Ltd.

- During 2020, the Company sold investment property which was land to other party with the carrying amount of Baht 254.8 million. The Company received in total amount and transferred gain on revaluation reserve related to the sold property in amount of Baht 43 million to retained earnings.
- During 2019, the Company sold investment property which was land to other party with the carrying amount of Baht 79.3 million. The Company received in total amount and recorded as gain on sale of asset of Baht 40.7 million in the account of other income in the statement of comprehensive income.

Non-tangible assets for business operation

As of December 31, 2020 the company and its subsidiaries reported non-tangible assets of THB 18.77 million consisted of computer software (Accounting program, purchasing program, document management program, product design program, and product quality control program), deferred cost trademark, patent cost during registration, and cost of computers that are under installation. (More details disclosed in enclosure no. 4)

Intellectual property

The company intellectual property used for business operation is petty patent, having fair value of 61,000,000.00 Baht as of the evaluation date of January 5, 2015.

The company has registered sub-patents and product design patents that certified by the Department of Intellectual Property in a total of 101 items. There are increases of 3 items from the year 2019. (More details disclosed in enclosure no. 4)

Building lease agreement

The company made a building lease contract with Cho Thavee Thermotech Co., Ltd. (a subsidiary) consisted of building and factory used as the head office of the subsidiary, and office building 2nd floor at Bangkok to be used as a branch of the subsidiary. The company also made a building lease contract with Khon Kaen Cho Thavee (1993) Co., Ltd. (a company connected with shareholders and directors) consisted of the headquarters area to be used as the headquarters of Khon Kaen Cho Thavee (1993) Co., Ltd. with the following 3 contract details. (More details disclosed in enclosure no.4)

Policy of Investment in subsidiary and associated company

In 2020, the company has no policy to invest in subsidiary and associated company as the company affected by the COVID-19 pandemic. The Company is required to save the funds for cash flows in the business.

Capital investment in subsidiaries and associate company

As of December 31, 2020, the total value of investment in subsidiaries, by total cost price method, was Baht 22.60 million or 99.99% of total assets according to the company consolidated financial statements with details as follows.

Company	Paid-up capital (million Baht)	Investment Proportion (%)	Investment value (million Baht)
CTV-TMT	20.00	99.99%	22.60
Total investment value			22.60

As of December 31, 2020 according to the consolidated financial statements, the company reported investment value in Amornrattanakosin Co., Ltd. (a subsidiary), by gain/loss method, of Baht 1.99 million or 99.97% of the total assets as specified in the consolidated financial statements with details as follows.

Company	Paid-up capital (million Baht)	Proportion (%)	Investment value (million Baht)
Amornrattanakosin Co., Ltd.	2.00	99.97%	1.99
Total investment value			1.99

As of December 31, 2020 according to the consolidated financial statements, the company reported investment value in associated company by the gain/loss method of Baht 2.82 million or 49.00% of the total assets as specified in the consolidated financial statements with details as follows.

Company	Paid-up capital (million Baht)	Proportion (%)	Investment value (million Baht)
KLRT Co., Ltd.	5.75	49.00%	2.82
Total investment value			2.82

As of December 31, 2020 according to the consolidated financial statements, the company reported investment value in ALLs Holding Co., Ltd. (an associated company) by the gain/loss method of Baht 25 million or 6.25% of the total assets as specified in the consolidated financial statements with details as follows.

Company	Paid-up capital (million Baht)	Proportion (%)	Investment value (million Baht)
ALLs Holding Co., Ltd.	400.00	6.25%	25.00
Total investment value			25.00

Investment Policy in Subsidiaries

The company investment policy is to consider on expanding the business to increase the potential of accepting jobs by investing with well know business partners or reputable companies to establish a Joint Venture or Consortium for attendance or participation in large project bidding. The company will consider the preparation of personnel and team, profit margin must be complied with the policy, along with considering the selection of reliable business partners in terms of product quality, financial position, and management’s reliability to prevent risks that may arise from working together in the future.

For the investment in subsidiaries, the company carefully consider on return from investment, risk, and financial liquidity of subsidiaries. The Company will consider investing in subsidiaries

that have the potential to support and benefit the Company’s business operations. Investment must be approved by the Board of Directors and shareholders meeting according to the scope of authorization. The Company has a policy to send directors and/or the Company’s executives to be majority directors in subsidiaries to control the direction and management policy of such subsidiaries in accordance with the Company’s policy.

(5) Non-delivered Job (Back log)

The company and its subsidiary reported works under the production as at 31st December 2020 in total amount of 1,243.95 million Baht, comprising of 1,230.43 million Baht for the company, and 13.52 million Baht for the subsidiary company. The details of customer with the value exceeding 10% are as follows:

NO	Contractor	Project	Date of Agreement	Delivery date as per contract	Contract amount	Balance as at 31 st December,2020
Non-delivered job – The company :						
1	SCN-CHO Cooperation	Repair and maintenance NGV buses for Bangkok Mass Transit Authority	27 Dec. 2017	25 Jun. 2028	1,321.74	1,034.00
2	Department of Ordnance	Light gun repair	24 Sep.2018	12 Mar. 2021	401.50	164.25
Non-delivered job – The subsidiary company :						
Subsidiaries do not have any non-delivered job worth more than 10%.						

Research and development

The Company lends the significant to research and development especially in the development of technology and quality of products with the variety and modernization model satisfied to the customers’ demand. The Company also develops for the rapid and much more precise of production process. The Company applies the computerized system and information system in the operation in accordance with each step of plan, starting from the drafting until the delivery of products to the customers, including the providing of advices and the repairing with remote service. So, even The Company’s products are used outside the country, they can be repaired and maintenance by the Company’s specialist directly.

The Company shall focus on the development of designing various models of body properly to the special type of transportation required by the customers, and to the chassis of truck, trailer/ semi-trailer. The Company also develops the technology and engineering systems for the products to be conveniently used, with the strength and durability, to be able to load as much as the

heaviest weights, easy to be controlled for the fluently of transportation in every road condition, to be properly and durably for the usage in every kind of weather condition of every country.

The Company never stops doing research and development of products or engineering system works. The Company’s research and development team has continuously designed new model of products, and developed technologies. All of the designed and innovated products will be registered with The Department of Intellectual Property. The Company has developed many items of 101 sub-patent such as: mechanism in opening-closing side of the truck’s wall, set of attaching the supplemented lever, set of enlarging the length of adjustable across lever, set of rope ladder to truck’s roof, set of ladder to the van’s roof, set of the vehicle’s ladder. In addition, there are the innovation of new products for more than 19 items under the registration process for sub-patent or innovation patent/patent in designing products from the Department of Intellectual Property.

The Company, in cooperation with The Bureau of National Innovation (public

company organization) (The Ministry of Science and Technology. The structure has been designed in the model of fabricate X-frame, by using high-tensile grade material which is strong and has light weight, enable for the adjusting of the structure’s height level up to the maximum of 9 meters. There is also the adaptation of automatic controlling system for controlling the stability and the direction in fleeing of the catering in 6 directions, in order to facilitating and reducing the operation time. The Company has been supported from The Bureau of National Innovation (public company organization).

The Company has developed the quicker production process, making the time in production to be reduced, this came from the team of engineering department, production department and related parties in doing the research of Routine to Research (R2R) project which started since 2014. This project supported the employees to initiate and adapt the tools and equipment in order to help faster on work process,

cost and time saving, increasing work efficiency and practicing of planning, preparing, and defining the step of work in much more systematic, including the alternating production process as appropriated, and help in reducing overall production process time. The Company can maintain the manufacturing standard, the inspection and quality control according to the basis of international standard certified i.e. ISO 9001, CE mark, IATA.

Beside to the significant of research and development in products and production process, the Company also lends the significant to personnel development in order to increase the potential and the effectiveness of human resources in each department by The Company’s professional who have long term work experiences, skills and knowledge in all fields. The Company has handled in regular the course of training for human resources both inside the Company and outside the company from the professional or leading institutions in order to acquire a modern knowledge and skills for The Company’s employees.

Table of the research and development expenses in 2018-2020

(Unit: million baht)			
Item	2018	2019	2020
The research and development expenses	0.59	0.00	0.00
Total	0.59	0.00	0.00



1.3 Shareholder Structure

1.3.1 Shareholder Structure

As 31 Dec. 2020, The Company had 2 subsidiaries, namely Cho Thavee Thermotech Co., Ltd. and Amornrattanakosin Co., Ltd. The Company also had 2 associated company are KLRT Co., Ltd. and Alls Holding Co., Ltd. There are also have jointly-controlled entity. The structure of the group being shown below:



The subsidiary company

Name	Cho Thavee Thermotech Co., Ltd. (CTV-TMT)		
Business characteristic	Do the business of designing, manufacturing, assembling, and Installing of light-weighted fiberglass fresh box for truck.		
Location of H.O. & factory	265 Moo 4, KlangMuang Rd., Tambol Muang Khao, Amphur Muang Khonkaen 40000.		
Telephone/Fax	0-4304-3877-78 / 0-4304-3879		
Location of Bangkok office	96/25 Vibhavadee Rangsit Rd., Bangkhen, Laksi district, Bangkok 10210		
Telephone/Fax	0-2973-4382-84 / 0-2973-4385		
Registered capitals	20.00 million Baht		
Paid-up registered capitals	20.00 million Baht		
Par value	10 Baht per share		
Amount of shares	2,000,000 shares		
List of directors	1) Mr. Suradech Thaweesaengsakulthai 2) Ms. Asana Taweesaengsakulthai 3) Mr. Prasobsuk Boonkwan		
List of shareholders As of January 13, 2021	1) Cho Thavee Public Company Limited	1,999,995 shares	99.99 %
	2) Other minor shareholders	5 shares	0.01%
	Total	2,000,000 shares	100.00%

Name	Amornrattanakosin Co., Ltd. (ARK)		
Business characteristic	Provide Transportation service using Smart bus		
Location of H.O. & factory	No. 96/25 Vibhavadee Rangsit Rd., Bangkhen, Laksi district, Bangkok 10210		
Telephone/Fax	0-2973-4382 / 0-2973-4385		
Registered capitals	2 million Baht		
Paid-up registered capitals	2 million Baht		
Par value	100 Baht per share		
Amount of shares	20,000 shares		
List of directors	1) Mr. Suradech Thaweesaengsakulthai 2) Mr. Prasobsuk Boonkwan 3) Mr. Nopparat Sangsawang		
List of shareholders As of January 13, 2021	1) Cho Thavee Public Company Limited	19,994 shares	99.97 %
	2) Other minor shareholders	6 shares	0.03 %
	Total	10,000 shares	100.00 %

Associated company

Name	KLRT Company Limited (KLRT)		
Business characteristic	Provider of Transportation and business related to the transportation.		
Location of H.O. & factory	555/56 Moo 13, Kasikon Thung Sang Rd., Nai Mueang, Klang Muang Rd., Tambol Muang Khao, Amphur Muang Khonkaen 40000		
Telephone	061-8230318		
Date of establishment	September 28, 2017		
Registered capitals	20.00 million Baht		
Paid-up registered capitals	5,750,000 Baht		
Par value	100 Baht per share		
Amount of shares	200,000 shares		
List of directors	1) Mr. Suradech Thaweesaengsakulthai 2) Mr. Chokechai Khunwasi 3) Mr. Channarong Buristrakul 4) Mr. Thana Sirithananchai 5) Mr. Bordin Sereeyothin		
List of shareholders As of January 13, 2021	1) KKTT Holding Company Limited	101,997 shares	50.9985 %
	2) Cho Thavee Public Company Limited	98,000 shares	49.00 %
	3) Other minor shareholders	3 shares	0.0015 %
	Total	200,000 shares	100.00%

Name	Alls Holdings Co., Ltd.		
Business characteristic	Import vehicle, vehicle parts or engines for manufacturing, using for sale or hire-purchase		
Location of H.O. & factory	1 Charoenrat Rd., Thung Wat Don, Sathon, Bangkok 10120		
Telephone	02-068 8808		
Date of establishment	November 23, 2018		
Registered capitals	400 million Baht		
Paid-up capitals	400 million Baht		
Par value	100 Baht per share		
Amount of shares	4,000,000 shares		
List of directors	1) Mr. Somsak Dararattanaojna 4) Mr.Saringkarn Sutaschuto 2) Mr. Surapon Dararattanaoj 5) Mr. Komol Dararattanaojna 3) Miss. Sirinan Dararattanaojna		
List of shareholders As of May 8, 2020	1) Charoen Axsorn Holding group	3,000,000 shares	75.00 %
	2) Cho Thavee Public Co., Ltd.	250,000 shares	6.25 %
	3) Eason Paint Public Company Limited	250,000 shares	6.25 %
	4) Mr.Saringkarn Sutaschuto	250,000 shares	6.25 %
	5) Mr. Supanit Chaiyawat	250,000 shares	6.25 %
	Total	4,000,000 shares	100.00 %

Jointly-Controlled Entity

Name	JVCC Joint Venture
Business characteristic	Manufacturing, assembly and maintenance for NGV Bus
Date of joint venture agreement	June 25, 2013
Investment ratio	- Cho Thavee Public Company Limited : 50% - Khonkaen Cho Thavee (1993) Co., Ltd : 50%
Purpose	To bid for the project of purchasing and maintenance service of air conditioned NGV bus, 489 units with the BMTA
Terms and conditions	CHO procure buses and provide maintenance service under the contract, CTV-1993 provide marketing and aftersales service
Reason and necessity	The Company's registered capital is insufficient according to TOR. And the project to be operated contains important trade secret information, therefore, the Joint Venture believes in the confidentiality of such trade secrets from past partnerships and/ or business associations.
Operating result	The BMTA cancelled contract signing, The joint venture has filed a lawsuit to the Central Administrative Court.
Registered capitals/ Paid-up capitals	-N/A-

Name	LeKise & Cho Thavee Joint Venture/ ¹
Business characteristic	Installing LED lighting system
Date of joint venture agreement	May 9, 2016
Investment ratio	- Cho Thavee Public Company Limited : 10% - Lekise Lighting Co., Ltd.: 90%
Purpose	Make transactions regarding LED lighting system installation in buildings of Royal Thai Navy.
Terms and conditions	CHO installs equipment, Lekise Lighting Co., Ltd provides equipment
Reason and necessity	CHO has installation capabilities, so CHO has been invited by the Joint Venture company to propose such work.
Operating result	The project has been completed in accordance with TOR and is in the process of cancelling the joint venture.
Registered capitals/ Paid-up capitals	- N/A -

Name	JVCKK Joint Venture/1
Business characteristic	Providing steel structure workshop for building the Offshore Patrol Vessel
Date of joint venture	June 17, 2016
Investment ratio	- Cho Thavee Public Company Limited : 60% - Khonkaen Cho Thavee (1993) Co., Ltd. : 40%
Purpose	To bid for the project of building vessel depot for the 2nd Offshore Patrol Vessel of Mahidoladulyadej Naval Dockyard
Terms and conditions	CHO provides fund, CTV-1993 provides labor and building
Reason and necessity	The Joint Venture company has the ability to supply labor and specializes in logistics for the supply of equipment. And the project contains important trade secret information, therefore, the Joint Venture believes in the confidentiality of such trade secrets from past partnerships and/or business associations, and to reduce the impact (if any) according to the proportion of joint ventures.
Operating result	The project has been completed in accordance with TOR and is in the process of cancelling the joint venture.
Registered capitals/ Paid- up capitals	- N/A -

Name	JVOPV Joint Venture
Business characteristic	Producing blocks of the Offshore Patrol Vessel (OPV)
Date of establishment	May 19, 2016
Investment ratio	- Cho Thavee Public Company Limited : 50% - Khonkaen Cho Thavee (1993) Co., Ltd. : 50%
Purpose	To bid for the project of building 2nd Offshore Patrol Vessel block of Mahidoladulyadej Naval Dockyard
Terms and conditions	CHO provides fund, CTV-1993 provided labor and building
Reason and necessity	The Joint Venture company has the ability to supply labor and specializes in logistics for the supply of equipment. And the project contains important trade secret information, therefore, the Joint Venture believes in the confidentiality of such trade secrets from past partnerships and/or business associations, and to reduce the impact (if any) according to the proportion of joint ventures.
Operating result	The project has been completed in accordance with TOR and is in the process of cancelling the joint venture.
Registered capitals/ Paid-up capitals	- N/A-

Name	KLRTT Joint Venture/1
Business characteristic	A Joint Venture for Project management for Maintenance and Service in the Light Rail Transit System in the category of Tram and Transit Oriented Development (including Operation, Maintenance and Service)
Date of joint venture agreement	December 11, 2017
Investment ratio	- KLRT Company Limited : 60% (a subsidiary) - Thep Nakhon KhonKaen Route Company Limited : 40%
Purpose	To proceed the project bid for the Khon Kaen City Development project
Terms and conditions	KLRT Co., Ltd. is the main company in management and responsible for the project management of Light Rail Transit System with a proportion of 60% of the project value.
Reason and necessity	- The operation of the Company through a juristic person KLRTT is to separate the administration of city development projects from specialized management of rail transport, and to reduce the delay in management. - Thep Nakhon KhonKaen Route Co., Ltd. experienced and specialized in transporting passengers in Khon Kaen
Operating result	On January 6, 2020 KLRTT Joint Venture has been selected according to the offered works. Currently, it is in the process of applying for tax ID and VAT, and jointly providing sources of fund for project owners to start implementing the project, projecting to start in 2021.
Registered capitals/ Paid-up capitals	- N/A-

Name	SCN-CHO Consortium
Business characteristic	Working on the project trade and maintenance for 489 units of NGV air-conditioned bus for the Bangkok Mass Transit Authority (BMTA)
Date of consortium agreement	December 7, 2017
Investment ratio	- Cho Thavee Public Company Limited : 50% - Scan Inter Public Company Limited : 50%
Purpose	The project of purchasing and maintenance service of air conditioned NGV bus, 489 units providing to the BMTA
Terms and conditions	CHO provides, purchases, produces and repairs of NGV buses, Scan Inter Public Co., Ltd. provides contract collateral
Reason and necessity	Scan Inter Public Co., Ltd. is able to fund the implementation of the project, and to reduce the impact (if any) according to the proportion of joint ventures.
Operating result	489 buses had been delivered, it is in the process of the repair and maintenance of the vehicle until the end of the project for 10 years (the contract expires in 2028.
Registered capitals/ Paid-up capitals	- N/A-

Name	CKKM Joint Venture/ ¹
Business characteristic	A Joint Venture for Design and Build Contract for Civil Works and Structures as well as Production and Installation of the Light Rail Transit System in the category of Tram and Transit Oriented Development
Date of joint venture agreement	December 19, 2017
Investment ratio	- Cho Thavee Public Company Limited : 49% - Khonkaen Cho Thavee (1993) Co., Ltd. : 45% - K-TECH BUILDING CONTRACTORS COMPANY LIMITED : 6%
Purpose	To bid, and to propose works for the Khon Kaen City infrastructure regarding Light Rail Transit
Terms and conditions	CHO offer works, prepare bidding documents and procure technology, CTV-1993 and K-Tech operate about rail system and building according to the contract.
Reason and necessity	- The registered capital of CHO is inefficient, according to TOR - CTV-1993 is able to recruit labor. - The project contains important trade secret information, therefore, the Joint Venture believes in the confidentiality of such trade secrets from past partnerships and/or business associations, - KTEC has experience and expertise in construction field - To reduce the impact (if any) according to the proportion of joint ventures.
Operating result	On January 6, 2020 KLRTT Joint Venture has been selected according to the offered works. Currently, it is in the process of applying for tax ID and VAT, and jointly providing sources of fund for project owners to start implementing the project, projecting to start in 2021.
Registered capitals/ Paid-up capitals	- N/A-

Name	Consortium Agreement For BMTA E-Ticket Project ^{/1}
Business characteristic	Project for Leasing of Electronic Ticket (E-Ticket) Systems with Equipment
Date of joint venture agreement	March 1, 2017
Investment ratio	- Cho Thavee Public Company Limited - Jump Up Co., Ltd. - MOL Payment Co., Ltd. - Acentech (Thailand) Co., Ltd. - Korea Smart Card Co., Ltd. (Investment ratio: N/A)
Purpose	To bid for the project for leasing of Electronic Ticket (E-Ticket) Systems with Equipment
Terms and conditions	CHO is the main company to bid and propose for works of the project for leasing of Electronic Ticket (E-Ticket) Systems with Equipment with the BMTA
Reason and necessity	- The registered capital of CHO is inefficient according to TOR - To reduce the impact (if any) according to the proportion - The consortium company has experience in electronic ticketing systems.
Registered capitals/ Paid-up capitals	- N/A-

Name	Cho Thavee -KIET Joint Venture
Business characteristic	To propose works, to operate bus leasing and to provide maintenance service for bus (new)
Date of joint venture agreement	November 12, 2020
Investment ratio	- Cho Thavee Public Co., Ltd. : 49% - Kiattana Transport Public Co., Ltd. : 51%
Purpose	To bid for projects of state enterprise
Terms and conditions	CHO and Kiatthana Transport Public Co., Ltd. will cooperate in order to achieve the objectives and in accordance with the conditions of the contract according to the project to be bidding.
Reason and necessity	The joint venture company has funds to support the project, and to reduce the impact (if any) according to the proportion
Operating result	In the process of preparing to register as a new juristic person and preparing to participate in bidding for projects of government agencies/state enterprises
Registered capitals/ Paid-up capitals	- N/A-

- Remark**
- /1 = The business without operating results and financial statements, because they are not registered as a juristic person and/or have not filed for tax and VAT identification number
 - Additional details: for the project of London TAXI maintenance service/ the project of EV bus for student and staff transit in Thammasat University and EV bus research and development project are of CHO, subsidiaries, associated company and Joint Venture are not related to these projects.

Subsidiaries and Joint Venture Performance

Financial statements of subsidiaries

1. Cho Thavee Thermotech Co., Ltd. Unit: million Baht			
Item	2018	2019	2020
Assets	211.51	355.16	233.19
Liabilities	169.28	312.33	203.03
Equity	42.23	42.83	30.16
Revenue	125.13	130.28	42.63
Expense	120.20	129.03	54.98
Net profit (loss)	4.93	1.25	(12.35)

2. Amornrattanakosin Co., Ltd. Unit: million Baht			
Item	2018	2019	2020
Assets	5.17	5.21	8.79
Liabilities	4.19	11.74	20.62
Equity	0.98	(6.53)	(11.83)
Revenue	0.00	0.00	0.00
Expense	0.02	7.51	6.30
Net profit (loss)	(0.02)	(7.51)	(6.30)

Financial statements of Joint Venture

1. TSP-CTV Joint Venture (Business closed on September 20, 2019) Unit: million Baht			
Item	2018	2019	2020
Assets	1.20	1.47	N/A
Liabilities	5.99	6.99	N/A
Equity	(4.79)	(5.52)	N/A
Revenue	0.00	0.09	N/A
Expense	2.10	0.81	N/A
Net profit (loss)	(2.10)	(0.72)	N/A

2. JVCC Joint Venture (Financial period Aug. 1 – Jul. 31) Unit: million Baht			
Item	2018	2019	2020
Assets	0.02	0.02	0.01
Liabilities	5.28	5.31	5.32
Equity	(5.26)	(5.29)	(5.32)
Revenue	0.00	0.00	0.00
Expense	0.03	0.03	0.03
Net profit (loss)	(0.03)	(0.03)	(0.03)

3.JVOPV Joint Venture (Financial period Jul. 1 – May 30, in the process of closing business)			
			Unit: million Baht
Item	2018	2019	2020
Assets	0.00	0.00	0.00
Liabilities	0.06	0.09	0.11
Equity	(0.06)	(0.09)	(0.11)
Revenue	0.00	0.00	0.00
Expense	0.03	0.03	0.03
Net profit (loss)	0.03	0.03	(0.03)

4. SCN-CHO Consortium			
			Unit: million Baht
Item	2018	2019	2020
Assets	1,152.09	480.81	475.03
Liabilities	1,091.28	459.16	454.35
Equity	60.81	21.65	20.68
Revenue	1,112.85	829.31	152.70
Expense	1,052.04	769.48	153.66
Net profit (loss)	60.81	59.83	(0.96)

- Remarks**
1. JVCC Joint Venture and JVOPV Joint Venture reported fixed loss in financial statements every year, equity was deficit due to the Joint Venture operate their business by bidding for projects but there was no bidding awarded. As a result, there has been no operating income and as a result of losses on employee expenses and administrative expenses.
 2. LeKise & Cho Thavee Joint Venture / JVCKK Joint Venture / KLRTT Joint Venture / CKKM Joint Venture / Consortium Agreement For BMTA E-Ticket Project have no operating results and financial statements because they are not registered as a juristic person and/or have not filed for tax and VAT identification number.

1.3.2 Person who may have a conflict of interest holds more than 10 percent of the shares with voting rights in subsidiaries or associated company.

Subsidiaries and associated company have no person who may have a conflict of interest holds more than 10 percent of the shares with voting rights.

1.3.3 Business Related of Main Shareholders

The Company is the creating and manufacturing of commercial body truck and other services. The Company buys and sales many brands of truck chassis and spare part included services to customers. The Company do others business that seem to be benefit and values added to the company. By the comparison of price as appropriate and complied with business of the main shareholder and director, detail and related as follows

The related companies

Name	Khonkaen City Development Co., Ltd. (KKT)
Business characteristic	Funds raising for Khon Kaen City development projects
Date of establishment	January 9, 2015
Registered capitals/ Paid-up capitals	80 million Baht / 80 million Baht
The relationship	- One director of the company is the shareholder of The related company which is Mr. Suradech Taweesaengsakulthai holds 6.86% of Registered capitals. - There is one related director – Mr. SuradechTaweesaengsakulthai
Reason of not being classified in group	The difference in business characteristic and it is The family business.

Name	Khonkaen Cho Thavee (1993) Co., Ltd. (Formerly known as “Cho Ruamthavee Industry Co., Ltd.)
Business characteristic	Sell of the head of the truck, every type of trailer, and offer hire purchase loan for a truck.
Date of establishment	May 4, 1990
Registered capitals/ Paid-up capitals	325 million Baht / 325 million Baht
The relationship	- Two directors of the company are the shareholders of the related company which are (1) Mr. Suradech Taweesaengsakulthai holds 97.38% of Registered capitals. (2) Ms. Asana Taweesaengsakulthai holds 0.69% of Registered capitals. - There is one related director-Mr. Suradech Taweesaengsakulthai
Reason of not being classified in group	The difference in business characteristic. Anyway, there is an agreement with the company by not competing in order to get rid of the conflict of interest.

Name	German Truck and Bus Co., Ltd. (formerly Volrep Truck and Bus Co., Ltd.)
Business characteristic	Doing business of repair service for engine and head of trucks
Date of establishment	September 8, 1992
Registered capitals/ Paid-up capitals	20 million Baht/ 20 million Baht
The relationship	- One director of the company is the shareholder of The related company which is Ms. Asana Taweangsakulthai holds 0.50% of Registered capitals. - There is one related director- Ms. Asana Taweangsakulthai.
Reason of not being classified in group	The difference in business characteristic. Anyway, there is an agreement by not competing in order to get rid of the conflict of interest.

Name	Ruamthavee Khonkaen Co., Ltd.
Business characteristic	Seller of cars, car's spare parts, and provider of cars repairing service.
Date of establishment	October 6, 1955
Registered capitals/ Paid-up capitals	287 million Baht / 287 million Baht
The relationship	- One director of the company is the shareholder of The related company which is Mr. Siriwat Taweangsakulthai holds 19.16% of Registered capitals. - There is one related director – Mr. Siriwat Taweangsakulthai
Reason of not being classified in group	The difference in business characteristic and it is the family business.

Name	Tang Hua Sing Nakhon Pathom Limited Company
Business characteristic	Retailer of engine spare parts, and sale distributor of HINO truck's head.
Date of establishment	August 25, 2019
Registered capitals/ Paid-up capitals	5 million Baht/5 million Baht
The relationship	One director of the company is a partner of the related company which is Mrs. Phenphimol Vejvarut, Partner and Managing Partner
Reason of not being classified in group	The difference in business characteristic

Name	O J Development Co., Ltd.
Business characteristic	Rental retail area, real estate trading
Date of establishment	July 9, 2009
Registered capitals/ Paid-up capitals	10 million Baht/ 10 million Baht
The relationship	- One director of the company is a partner of the related company which is Ms. Asana Taweangsakulthai holds 44.99% of registered capitals. - There is one related director - Ms. Asana Taweangsakulthai.
Reason of not being classified in group	The difference in business characteristic and it is the family business.

Name	KKTT Holding Co., Ltd.
Business characteristic	Transportation and cargo service provider, including passengers transportation
Date of establishment	August 15, 2017
Registered capitals/ Paid-up capitals	80 million Baht / 80 million Baht
The relationship	- One director of the company is a shareholder of the related company which is Mr. Suradech Taweangsakulthai holds 6.90% of registered capital. - There is one related director- Mr. Suradech Taweangsakulthai.
Reason of not being classified in group	The difference in business characteristic and it is the family business.

1.3.4 Shareholders

(1) Major Shareholder

List of company Shareholder of December 31, 2020 as follows:

Rank	Major Shareholder	Shares	% Shares
1.	Group of Mr. Suradech Taweesaengsakulthai	543,370,132	41.106
	Mr. Suradech Taweesaengsakulthai	474,730,132	35.913
	Mrs. Wadsana Taweesaengsakulthai	68,640,000	5.193
2.	Mr. Marat Sae-lim	93,921,844	7.105
3.	Thai NVDR Company Limited.	50,739,004	3.838
4.	Ms. Asana Taweesaengsakulthai	39,505,460	2.989
5.	Mr. Charan Leetrairong	29,193,600	2.208
6.	Mr. Puttipat Vejvarut	27,780,975	2.102
7.	Mr. Surapol Taweesaengsakulthai	22,336,000	1.690
8.	Mr. Kitimeth Vejvarut	13,163,500	0.996
9.	Mr. Suchai Asawapanyaku	5,864,000	0.445
10.	Mrs. Saowapa Uchupan	5,500,000	0.416
Total major Shareholders for top 10		831,374,515	62.892
Minor Shareholders			5,444
Thai Nationality Shareholders			5,447
Foreign Nationality Shareholders			8

Remarks ▶ Thai NVDR Co., Ltd. is an issuer of Non-Voting Depository Receipt (NVDR) registered as securities in the Stock Exchange of Thailand. Investors holding NVDR will receive dividends as if shareholders of listed companies, but will not have the right to vote at the shareholders' meeting. The details Thai NVDR investors can be found at www.set.co.th

Major shareholders who influence the policy or management of the company as of December 31, 2020

Rank	Major Shareholder	Shares	% Shares
1.	Group of Mr. Suradech Taweesaengsakulthai ¹	543,370,132	41.106
	Mr. Suradech Taweesaengsakulthai	474,730,132	35.913
	Mrs. Wadsana Taweesaengsakulthai	68,640,000	5.193
2.	Group of Ms. Phenphimol Vejvarut ²	41,424,475	3.134
	Ms. Phenphimol Vejvarut	330,000	0.025
	Mr. Puttipat Vejvarut	27,780,975	2.102
	Mr. Kitimeth Vejvarut	13,163,500	0.996
	Mr. Pornthira Vejvarut	150,000	0.011

Remark ▶ The company has no agreement between major shareholders in matters affecting the management of the Company.
 /1 = Referring to person in group of Mr. Suradech, Mr. Suradech Taweesaengsakulthai is the Director and CEO
 /2 = Referring to person in group of Ms. Phenphimol, Ms. Phenphimol Vejvarut is the Chairman



1.4 Authorized Capital and Paid-up Capital

1.4.1 Authorized Capital

As at December 31, 2020, the company had its registered capital of 588,998,932.50 Baht (Five hundred eighty-eight million nine hundred ninety-eight thousand nine hundred thirty-two Baht and fifty Satang) and paid-up capital of 330,475,259.25 Baht (Three hundred and thirty million, four hundred and seventy-five thousand, two hundred and fifty-nine Baht and twenty five satang.), Listed Share to common stock of 1,321,901,037 shares at the par value of 0.25 baht (Twenty-five satang)

1.4.2 Shares with rights or conditions different from ordinary shares

The Company does not issue other types of shares with rights or conditions different from ordinary shares.

1.4.3 Shares or convertible securities of the company as other underlying securities in the issuance of investment units.

The Company does not issue shares or convertible securities for the issuance of investment units for Thai Trust Fund and Non-Voting Depository Receipt (NVDR)

On December 30, 2020 Warrants for purchasing of newly issued ordinary shares of Cho Thavee Public Company Limited series 2 or CHO-W2 has matured and has ceased the status of listed securities since December 31, 2020.



1.5 Other Securities

1. Bills of Exchange

As of December 31, 2020 the company has issued debt securities, in types of short-term bills of exchange with details as follows

Face amount	25.00 million Baht
Interest rate	It depends on the market conditions at the time of each issuance and offering of short-term bills of exchange.
Term of bills of exchange	Not over 182 days from the issuing date
Purpose	To be used as working capital
Offering	Offered to specific investors by private placement basis, issuing no more than 10 Bills of Exchange
Conditions	If a short-term Bill of Exchange is redeemed which resulted in the decrease of the outstanding balance, allowing the company to issue short-term Bills of Exchange within the amount approved by the Board of Directors meeting.

2. Debentures

As of December 31, 2020 the Company has securities that are not yet due for redemption, details are as follows:

Specific name of Debenture	Debenture of Cho Thavee Public Co., Ltd. no. 1/2019 Due in 2021
Type of Debenture	Name-registered, Unsubordinated and Unsecured, with Debenture Holders' Representative
Amount of offered debentures	545,300 Units
Par value	1,000 Baht
Debenture value	545.30 Million Baht
Offering type	Institutional and High Net Worth Investor
Issuing date	February 22, 2019
Term of debenture	2 years from the issuing date
Maturity date	February 22, 2021
Interest rate	Fixed rate at 6.75% p.a.
Principle repayment	Repayment in full amount at maturity date
Redemption prior to maturity date	The issuer has right to redeem Debenture prior to maturity date
Other conditions	The company must maintain the interest-bearing debt to equity ratio of not more than 3 to 1. Remark: interest-bearing debt is only the debt with Interest-payable liabilities excluding loans for funding the project of 489 NGV buses and the E- Ticket project
Registrar of Debenture	ธนาคารทหารไทย จำกัด (มหาชน)

Specific name of Debenture	Debenture of Cho Thavee Public Co., Ltd. no. 2/2019 Due in 2021
Type of Debenture	Name-registered, Unsubordinated and Unsecured, with Debenture Holders' Representative
Amount of offered debentures	300,000 Units
Par value	1,000 Baht
Debenture value	300.00 million Baht
Offering type	Institutional and High Net Worth Investor
Issuing date	October 10, 2019
Term of debenture	2 years from issuing date
Maturity date	October 10, 2021
Interest rate	Fixed rate at 7.00% p.a.
Principle repayment	Repayment in full amount at maturity date
Redemption prior to maturity date	The issuer has right to redeem Debenture prior to maturity date
Other conditions	The company must maintain the interest-bearing debt to equity ratio of not more than 3 to 1. Remark: interest-bearing debt is only the debt with Interest-payable liabilities excluding loans for funding the project of 489 NGV buses and the E- Ticket project
Registrar of Debenture	The Siam Commercial Bank Public Co. Ltd.

Specific name of Debenture	Debenture of Cho Thavee Public Co., Ltd. no. 1/2020 Due in 2022 The issuer has right to redeem Debenture prior to maturity date
Type of Debenture	Name-registered, Unsubordinated and Unsecured, with Debenture Holders' Representative
Amount of offered debentures	71,000 Units
Par value	1,000 Baht
Debenture value	71 Million Baht
Offering type	Institutional and High Net Worth Investor
Issuing date	September 11, 2020
Term of debenture	2 years from issuing date
Maturity date	September 11, 2022
Interest rate	Fixed rate at 7.00% p.a.
Principle repayment	Repayment in full amount at maturity date
Redemption prior to maturity date	The issuer has right to redeem Debenture prior to maturity date
Other conditions	The company must maintain the interest-bearing debt to equity ratio of not more than 3 to 1. Remark: interest-bearing debt is only the debt with Interest-payable liabilities, excluding loans for funding the project of 489 NGV buses and the E- Ticket project
Registrar of Debenture	The Siam Commercial Bank Public Co. Ltd.

Type of Debenture	Short-term debenture, Unsubordinated, offered by Private Placement
Amount of offered debentures	
Par value	100,000 Units
Debenture value	100.00 million Baht
Offering type	Offered by Private Placement, issuing no more than 10
Issuing date	June 18, 2020
Term of Debenture	6 years from issuing date
Maturity date	December 18, 2020
Interest rate	Fixed rate at 7.25% p.a.
Principle repayment	Repayment in full amount at maturity date

3. Details about warrants for purchasing the company ordinary shares

Type of Securities	Warrants for Purchasing of Newly Issued Ordinary Shares of Cho Thavee Public Company Limited series 2 (“Warrant” or “CHO-W2”)
Type of Warrant	name-registered and transferable warrant
Registration date	July 15, 2019 (trading date July 15, 2019)
Secondary market	mai stock exchange
Offering Amount	654,443,258 units
Offering Price	0.00 Baht per unit (zero Baht) Allocation to existing shareholders at a rate of 2 shares : 1 unit of warrant as free warrants
Allocation amount	649,415,238 units
Number of shares reserved for the exercise.	649,415,238 shares (par value at 0.25 Baht per share)
Issuance Date	July 1, 2019
Duration of Warrant	1 year and 6 months from the issuance date.
Duration of Warrant	December 30, 2020, the last exercise date (warrants shall invalid from being securities in the next day)
Rights of Warrants	Exercise ratio of Conversion rights** Warrant 1 unit has the right to purchase 1 ordinary share Conversion price** 0.86 Baht per share ** Exercise ratio and price may be changed later, according to conversion conditions ** (For details, please see conditions on the company or SET website)
Exercise period	The first exercise date is December 30, 2019 and Jun 30, 2020 The last exercise date is December 30, 2020

Details of warrants allocation

	Thai Investors		Foreign investors		Total
	Juristic person	Individual	Juristic person	Individual	
Number	3	5,878	5	4	5,890
Allocated share	26,453,517	606,790,969	16,104,200	66,552	649,415,238
Allocated proportion	4.07%	93.44%	2.48%	0.01%	100.00%

Remark ► Details of warrants allocation as of June 21, 2019

Securities holding of Directors

The securities holding of the Board of Directors and Executive Administrators in Cho Thavee Public Company Limited (CHO) between the years 2019-2020 detailed as follows:

No.	Committees and Directors	Numbers of shares (CHO) held				Changing Remarks
		As at 31 Dec 2019	%	As at 31 Dec 2020	%	
Committees						
1.	Ms. Phenphimol Vejvarut	330,000	0.025	330,000	0.025	None
	Spouses and immature child	--	--	--	--	
2.	Mr. Suradech Taweesaengsakulthai	445,659,632	34.049	474,730,132	35.913	Sold in SET
	Spouses and immature child	68,640,000	5.244	68,640,000	5.193	None
3.	Ms. Asana Taweesaengsakulthai	39,505,460	3.018	39,505,460	2.989	None
	Spouses and immature child	--	--	--	--	
4.	Mr. Siriwat Taweesaengsakulthai	--	--	--	--	
	Spouses and immature child	--	--	--	--	
5.	Mr. Anusorn Tamajai	--	--	--	--	
	Spouses and immature child	--	--	--	--	
6.	Mr. Asa Prateepasen	--	--	--	--	
	Spouses and immature child	--	--	--	--	
7.	Mr. Chatchawan Triamvicharnkul	--	--	--	--	
	Spouses and immature child	--	--	--	--	

No.	Committees and Directors	Numbers of shares (CHO) held				Changing Remarks
		As at 31 Dec 2019	%	As at 31 Dec 2020	%	
Directors						
1.	Mr. Narong Ongartmaneerut	--	--	--	--	
	Spouses and immature child	--	--	--	--	
2.	Mrs. Phanthong Nowa	7,700	0.0006	7,700	0.0006	None
	Spouses and immature child	--	--			
3.	Mr. Prasobsuk Boonkwan	12,490	0.001	12,490	0.001	None
	Spouses and immature child					
4.	Mr.Sven Markus Gaber	--	--	--	--	
	Spouses and immature child	--	--	--	--	
5.	Mr. Nopparat Sangsawang	132,330	0.010	132,330	0.010	None
	Spouses and immature child	--	--	--	--	
6.	Mr. Apichai Chumsri	54,360	0.004	54,360	0.004	None
	Spouses and immature child	--	--	--	--	
7.	Mr. Nirut Sumongkol	221,430	0.017	221,430	0.017	None
	Spouses and immature child	--	--	--	--	
8.	Mr. Sakarin Unnim	120,560	0.009	120,560	0.009	None
	Spouses and immature child	--	--	--	--	
9.	Mr. Chatchai Kantawirut	2,640	0.0002	2,640	0.0002	None
	Spouses and immature child	--	--	--	--	
10.	Mr.Phard Pimrin	136,570	0.010	136,570	0.010	None
	Spouses and immature child	--	--	--	--	

1.6 Dividend Payment Policy



The Company has the policy to pay dividend each year at the rate of not less than 40% of the net profit deduction of all types of reserved fund as required in the Company's Articles of Association and as required by law. If unnecessary, the payment of such dividend shall not significantly affect the

Company's normal business operation.

Nevertheless, the dividend payment policy may be changed, depending on investment plan, necessity, and other suitable factors in the future based on a condition that the operation must yield highest benefit to shareholders, such as use the money as investment fund to expand Company's business, as a reserve for loan repayment or there may be change

of market condition which may adversely affect the Company's future cash flow. The Company's Board of Directors shall be empowered to consider the option. Moreover, the Board of Directors' resolution approving dividend payment shall be proposed for final approval with shareholders' meeting. The exemption is on interim dividend payment which the Company's Board of Directors shall be authorized to make decision and report the decision at the next shareholders' meeting.

The dividend payment regarding the operation in 2016, the 2017 AGM had a resolve for no dividend payment due to the 2015 Separated Financial Statement reported deficit.

The dividend payment regarding the operation in 2017, the 2018 AGM had a resolve for no dividend payment due to the 2017 Separated Financial Statement reported deficit.

The dividend payment regarding the operation in 2018, the 2019 AGM had a resolve for no dividend payment due to the 2018 Separate Financial Statement reported accumulate deficit.

The dividend payment regarding the operation in 2019, the Board of Directors had a

resolve for the dividend payment by cash for the operation in 2019, the 2020 AGM held on October 21, 2020 approved for no dividend payment for the year 2019 because of the company has to maintain cash flow to cope with all kinds of situations that may arise from the COVID-19 pandemic. From the company's current business situation, the purchasing power of customers has declined. There is a delay in the investment of various entrepreneurs involved directly or indirectly with the company group's products and services. The company is therefore required to maintain sufficient financial liquidity, and suitable for sustainable business operation.

The dividend payment regarding the operation in 2020, the Board of Directors resolved for no dividend payment due to the operating result for the year 2020 according to the separate financial statement reported loss. As of December 31, 2020 the company reported accumulated losses, so dividend cannot be paid. This agenda will be effective when the 2021 AGM approves on April 21, 2021.

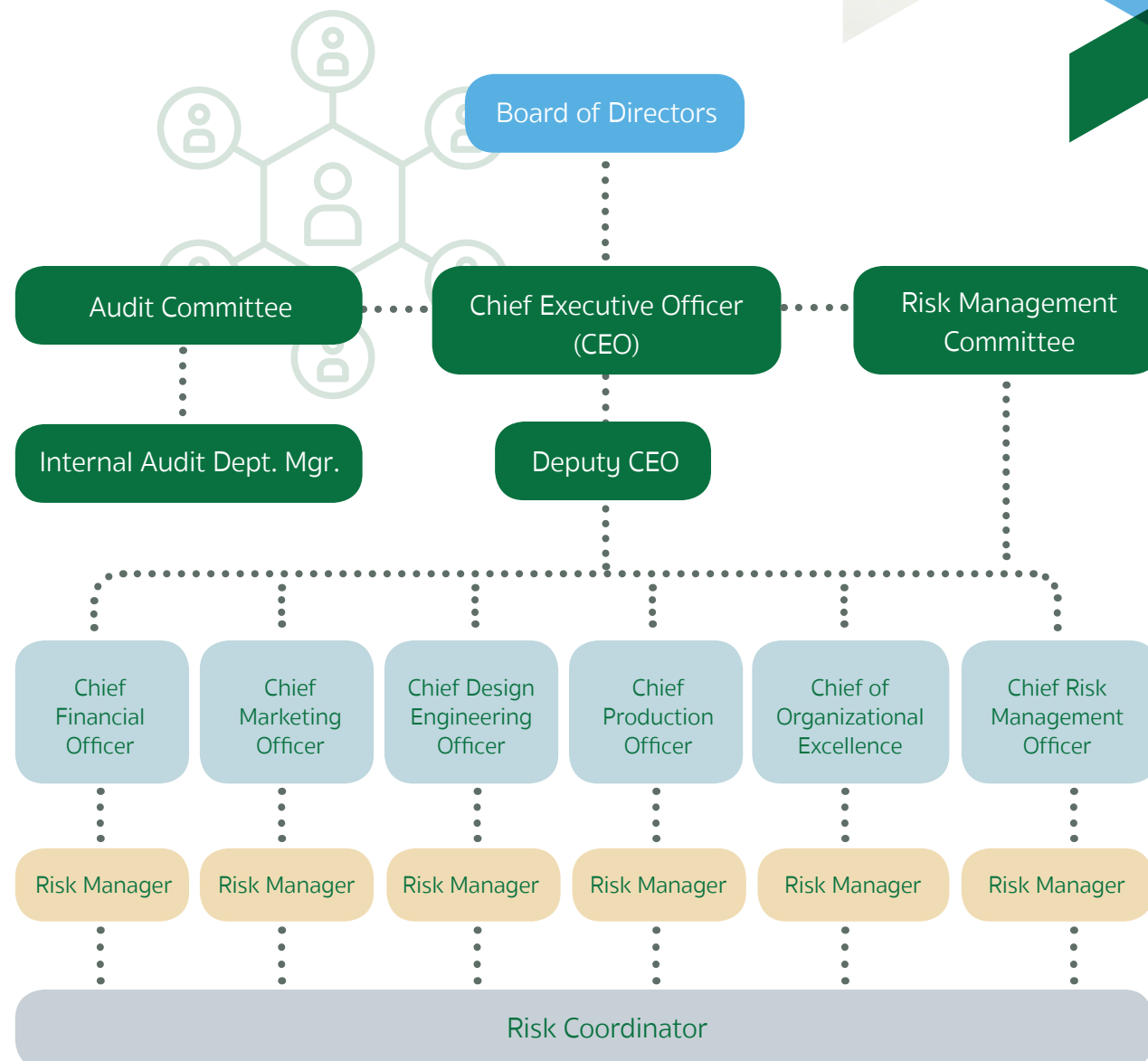
Dividend Payment Historical Compared to net profit (Separate financial statements) 2016-2020					
Detail	Year 2016	Year 2016	Year 2016	Year 2016	Year 2016
Net Profit (Loss) after legal reserve deduction (Separate financial statements) (million Baht)	(69.99)	(27.67)	41.70	72.30	(207.80)
Dividend Payment (million Baht)	0	0	0 ¹	0 ²	0
Dividend rate (%)	0	0	0	0	0

Remark ▶ /1 = Dividend cannot be paid due to the separate financial statement reported loss of 15.72 million Baht
 /2 = No dividend payment for the year 2019, this is because the company has to maintain cash flow to cope with all kinds of situations that may arise from the COVID-19 pandemic.

2. Risk Management

2.1 Business risks

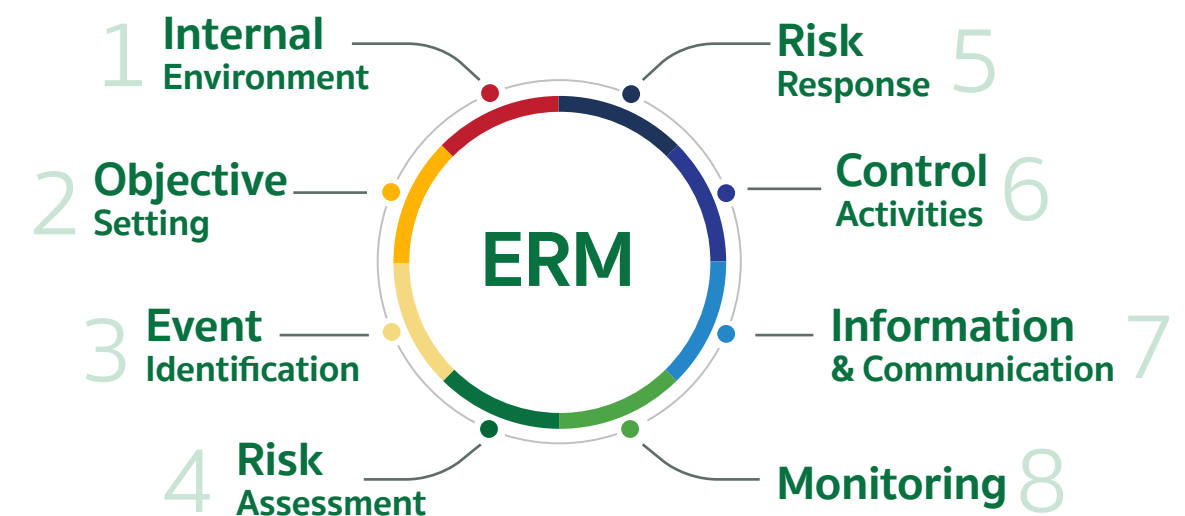
The Company's Board of Directors appointed the Risk Management Vice President in order to supervise the organization's risk management to ensure that the overall organization is achieved at an acceptable level and to continue to track the risk management. The Company has organized risk and control self-assessment in order to assess risks, problems and difficulties also the uncertainty may affect the company's operation to achieve its goal. The internal and external risk factors may affect the company to loss business' opportunities. Once risks are defined to be difficult to achieve its goal, the Company must have the measurement of risk management.



The Company defined risk management policy for the executive and all employees to comply and adhere. The Company also educated the risk management as the organization culture by having the Risk Management Chief Officer to govern the Company's risk management by submitting a quarterly risk management report to the Executive Committees, the Corporate Governance, Risk Management, Nomination and Compensation Committees, the Audit Committees and the Board of Directors for closely monitoring to ensure that its risk appetite is acceptable and the company is able to accomplish its goals. Please refer to the "Risk Factors" in section 3, which summarized the risk

factors affecting the Company's operation and finance.

Moreover, the Company assessed risks and difficulties that may affect the Company's operation together with the sufficiency of internal control assessment in order to improve and ensure that risk management is more efficient and effective. The limit covered the administrative and management within the Company, so that the executive responsibilities in each department were assigned and to follow the risk management guideline and also the related parties shall comply and adhere the Company's risk management system in order to enhance the operation to be more efficient and effective.



ERM : (COSO Enterprise Risk Management)

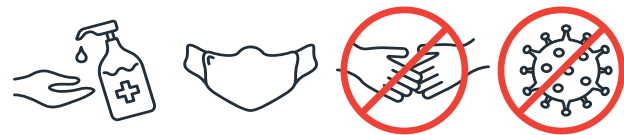
1. The organization's environment is the basis element of the other elements of risk management because it concerns 2 things; people and systems.
2. The objective setting shall be written clearly and concordance to the strategic goals and the risk tolerance.
3. The event identification which has happened in the past and the forecasts for the future.
4. The risk assessment is the process after the organization has identified the risk which consists of 2 dimensions that are the likelihood of the risk and the impact from the risk.
5. The risk response is for reducing the likelihood and the impact of the risk by the 4 risk responding practices as following:
 1. Risk Acceptance
 2. Risk Reduction / Risk Control
 3. Risk Avoidance
 4. Risk Sharing / Risk Transfer
6. The control activities are policy and procedure assuring its businesses will operate in accordance with the business strategy to the management. This activities can prevent and help to foresee the risks in doing the business which can affect the corporate objectives.
7. Information and communication are tools which the management will use to communicate the policy, supervise, and monitor the operation.
8. To provide a robust and effective risk management mechanism, the company has managed to install the regularly monitoring systems.

2.2 Business risks

2.2.1. Safety, Occupational Health, Environment and Social Risks

1. Risk Management in Public Health

The company and its subsidiaries have followed the 6th public announcement on precaution and monitoring guideline for the pandemic of Corona virus 2019 (Covid-19) which is the outbreak across countries. The company has greatly concerned about safety and health of employees, partners, and customers. We have set up measure at work during Covid-19 pandemic and requested each executive team to cooperate and set up appropriate measures as follows.



- Refrain from traveling to declared risky areas, travel by private vehicle if necessary, and follow company's measures after return.
- All employees and Executives refrain from oversea traveling. Meetings with partners, clients, contractors, or producers should be conducted through VDO conference
- The important aspects in following precaution and monitoring guideline for the 6th announcement of Corona virus 2019 (Covid-19) pandemic are:
 - To keep the business going during the pandemic and keep the employees safe,
 - To review whether to open or close the units and allow employees to do self-monitor at home,
 - To be guideline for employees who do self-monitoring at home,
 - To be guideline for working from home,
 - To be guideline for meeting, seminar, training, and other activities.



2. Business Risk Management

Due to Covid-19 pandemic, there are number of new entrepreneurs jump into the market. Some competitors have opened automobile repairing and manufacturing garage in the same standard level and in close location to the company. According to this, the company set up the policy to compete in terms of quality, service, advertising, and different marketing activities without cutting down prices. We focus mainly on product quality and customers' satisfaction. In addition, the company believes that the more competition there is, the better the trailer industry will be as it will create more growth in the market and in turn result in growth of the company as well. The company also open additional communication channels such as Facebook page, and Line messenger for updates on stock market. The indication for the competition assessment can be measured from the repurchase of existing customers and customers' referral to the same group.

In terms of financial institutions and source of fund, the company has negotiated with financial institutions regarding extension of time/installment payment of LC/TR until the company's situation improves, which the company's benefits and situation must be considered for this matter or other alternatives could be considered if it is deemed appropriate. The company also consider reducing expenses that do not generate income by strictly implementing budget planning. The company also implement health care measure for the employees to avoid working in the risky area and use technology to assist in communication.

3. Risk Management in Society and Environment

The company has the state-of-art technology, conduct infrastructural design, provide fit- for-all facilities following universal-design to be adequately and appropriately serviced in public transportation system, and provide adequate airport shuttles service to all groups of passengers.



2.2.2 Risk from Income Uncertainty

Covid-19 pandemic has placed direct impact on products and services of the company's partners. These impacts include restricted services of the partner airlines, country lockdown and restricted flights. There is also a shift of fund out of megaproject and infrastructure construction project to assist in managing public health during the pandemic. Private and Government procurement have been significantly slow down. Entrepreneurs in travel industry are impacted from lower numbers of tourists. This places an effect on the company's customers in airline industry.

Risk management: To reduce the risk from customers in airline industry which have lower number of flights because of COVID-19 pandemic, the company has looked for customers in other industries outside of airline industry.

The company has rental vehicle bid project by BMTA with total amount of 292 vehicles. Our company is ready for assembling aircon buses with European body and has passed the vehicle rollover structure test following United Nations Regulation, UN R66, in the 4th quarter last year, which is in accordance with the BMTA's procurement announcement. In terms of cost, the auto body manufacturer is willing to provide credit term for the payment to be corresponded to period of income from the rental. This will reduce financial cost and allow the company to set profitable price for the rental in Quarter 4 Year 2020 period.

Taxi London Project has changed driving system to electric driving. The production line will be changed in April 2021 with the plan to manufacture 1,000-2,000 vehicles within 2021. It is expected to be another way to gain back the income.

2.2.3 Risk of Fluctuated Raw Materials Price

Since the production cost is an important expense of the Company. If raw materials, most of which are imported from overseas, have its price vary according to demand and supply, because there are only few overseas suppliers. In the event that raw materials price trend to rise, it affected the Company for purchasing the materials with higher price. However, the Company cannot immediately adjust the product price to be higher to compensate the increased materials price, or it can be partly compensated. This may affect the revenue and profit of the Company significantly.

Risk management: The Company has measures to control materials cost as follows:

- (1) The projected sales volume has been calculated for the materials requirements, for the purchasing plan regarding quantity, to meet the timeline of the Company's sales plan.
- (2) To prevent the fluctuated price, there is a contract making with suppliers in advance with contractors' obligations as agreed by contractors, such as 6 months or 1 year, details of price, quantity and delivery period are determined clearly.
- (3) There is regularly a comparison of the change of raw materials price that may impact the total materials costs, it will be used as a guideline for price adjustments as deemed necessary and possible. The action according to these measures is to reduce the risk of fluctuated materials price and to maintain the materials costs at the reasonable level.

2.2.4 Dependence on the Limited Industry Group Risk

The Company is doing business of design and produce products to both government sections and private sectors in both domestic and overseas. The total revenue from selling of product in 2020 separated to the revenue from standard product is 2.93%, special design product 52.21%, project management and service 44.85% of total revenue. Which the special design product has customer target in the aviation industry, special transportation and domestic commercial and government sections. And in 2020, the company was impacted by Covid-19 pandemic. This affected on the income on special design products in truck catering category from both domestic and foreign clients. The standard products for domestic clients were also affected by Government's precaution and monitoring measure for Covid-19.

Risk management: The Company assigned a product design team and marketing team to invent new products regarding agricultural vehicle, such as, vehicle for sugarcane transport, vehicle for cassava transport, and vehicle for paddy transport, the Company launched new products, which is sugar cane carrying trailer for sugar cane transport to sugar production plant, which the main customer is Mitre Phol sugar plant. The technology from Australia had been adopted by the Company for the development of cutting-edge product, to facilitate farmers, to reduce the problem of sugarcane field burning reducing the impact of smoke pollution that affect the environment. The value had been created for farmers, so they can sell sugarcane with higher price. There is an after sale service providing to customers in the upper northeastern region, and there is a plan to expand to other region of Thailand in 2020. Regarding the sales to governmental agencies, the Company keeps closely monitor the drive of budget spending on projects of infrastructure construction, projects for various sizes of truck procurements that the Company is able to compete with. There is a

team building for their knowledge of air-conditioned bus maintenance, which will be expanded to other governmental agencies, they need a vehicle leasing program together with a maintenance service with long term service contract.

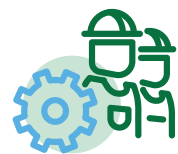
As Cho Thavee Public Company Limited is the leader in catering trucks and city buses, so the company has to show its strength in its leading innovation on buses and delivery vans in order to compete in delivery van market by developing innovative products that are driven by electric power in replacement of engine power. This aims to reduce the risk of customer-dependent income. In the 1st quarter, the company must generate more income and find more assuring products in project administrative market from government organizations and educational institutions.

The company focuses on future market such as private sectors that need transportation for their employees, and mobile medical laboratory which is in corresponding to the current incidence of Covid-19 pandemic. In addition, there is also city' products which are currently under model manufacturing, which will add another income to the company as well.

2.2 Management Risk

Information and Technology Risk

For the improvement of the potential of the Company and customer service, the Company has adopted Information and Technology system to support the data storage process, financial transactions, accounting, production, inventory, purchasing system, sales and after sales service. To overseas the cost of each section for the decision making, to reduce working hours and reduce mistakes in working. If the information and technology system fails or unexpected events that make the system unavailable, it may affect the business of the Company.



Risk management: the Company foresees the importance of Information and Technology system, so the guideline for IT development has been determined. It is for the innovative, focusing on the development of the working system that is important to the above mentioned business operation, as well as communication between headquarters and countrywide branches. The IT system development will be able to collect the data to be delivered to the management in analysis, consider, therefore, the Company is confident that the IT system is continually evolving. In case of system fail, the Company can continue its business because all units have operational manual and working procedure, data backup system, password change, assignment of the right to access information, and antivirus system. And for the seamless operation of system, CCTV connecting system in every branch and VDO Conference system for communication were improved, making users be able to access any system at any time. There is always data backup every day, just in case a situation where problem occurred with data centers, making it unable to use, the Company cooperates with partners who expert in IT system to install system that suit with and be able to compensate the main data center in temporary. Previously, there was no such problem.

2.3 Financial Risk

2.3.1 Risk from Foreign Currency Volatility

The company has foreign currency trades from both export and import, including some imported parts and equipment. It was difficult to predict the volatility of foreign currency in 2020 due to many factors such as domestic economy, monetary and fiscal policy, political stability in the country and in foreign countries. More importantly, due to the pandemic incidence, these company's activities can be affected by foreign currency volatility,

which in turn place an impact on the company's performance and may not be able to reach its goal.

Risk management: As businesses are not able to control foreign currency volatility, the company and its subsidiaries have arranged risk management by using various financial tools. the company have set up Futures contract to manage the risk of revenue and cost to be in acceptable level. Even though the company has financial management, the risk cannot be eliminated as foreign currency is not accurately predictable on the date of making Futures contract. In addition to managing foreign currency risk, the contract allows the company to see certain prices and costs in Baht currency which helps the company to effectively set the prices. Furthermore, to reduce the risk of quoting price in one particular currency, the company has policy to quote prices for transactions to customers in different currencies other than US Dollar.

2.3.2 Interest Rate Risk

CHO has a debt obligation to pay interest to the lender and plans to invest in several future projects. Therefore, it may be necessary to use huge amounts of long-term loans. Thus, interest is still the important of the Company's expenses. Increasing in lending rates can affect the operation of the Company. When cost of loans is floating, the Company is exposed to interest rate risk in case of a fluctuation in interest rates.

Risk management: the structure of the loan is divided into floating rate and CHO212A corporate debenture, the company have requested for approval in the shareholders' meeting to extend maturity date for 1 year 9 months. Including the plan to increase the registered capital or issue debentures in accordance with the economic situation. And Company's cash flow plans, taking into account the trend of future interest rates.



2.3.3 Delayed Payment Receipts Risk

CHO manufactures products according to customers’ orders (Made to Order) and project management contract controlled. The delivery of goods and payment are following the conditions agreed by the contract or pre-billing services under agreed conditions. There is a delay payment risk from some customer or there may be a payment issue. This will affect the Company’s financial liquidity as the Company has fixed monthly expenses as of December 31, 2020, the Company had overdue debtors equivalent to 233.11 million Baht or 33.69% of total annual income. Most of debtors were from NGV489 project which at present the debt already paid.

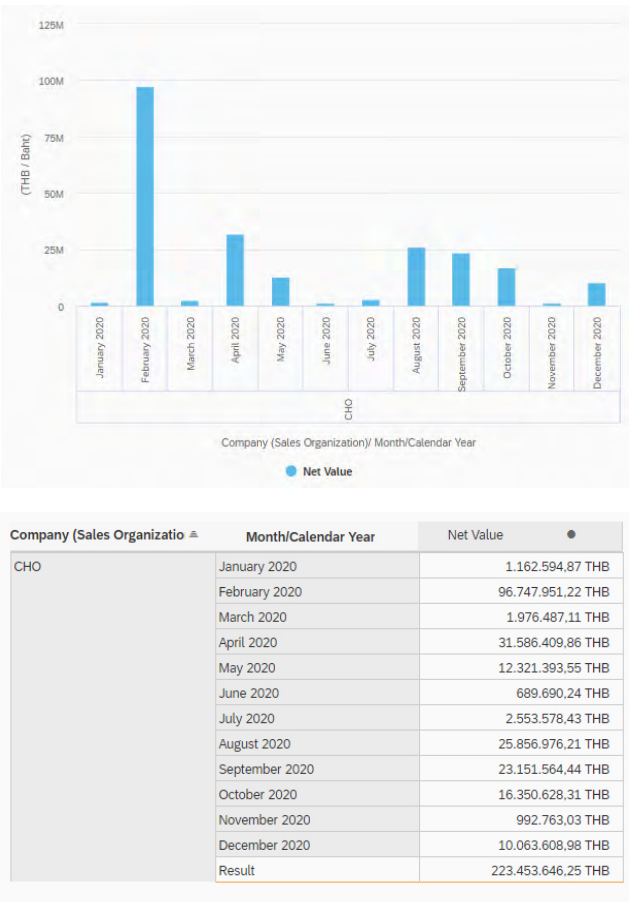
Risk management: the Company and our chains are aware of such risks. Therefore, the Company has policy to evaluate the potential of the customer or the employer before accepting orders or agree to service. Private and government sections are required to pay a pre-paid deposit of 15% to 30% of the contract value, in case of contract manufacturing. And project owners are required to pay monthly or quarterly installments in accordance with the progress of the appropriate service. Department of Finance is responsible for summarizing the customer’s payment. If any customer exceeds the payment due date, they will be tracked to make payment. If they do not pay, company reserves right to charge interest on late payments as stated in the sales contract or quotation. And will inform all relevant departments and senior management immediately also report to the Board Executive every month. By apparently communication, the Company is confident that we will eliminate the risk of delinquent repayment from customers.

2.4 Risk from Sale Representative and Specialist Dependency



Most of the company’s sales come from sale representatives, which means that the

sales is directly correlative with sale personnel. Due to Covid-19 pandemic and resignation of employees, the company’s sales decreased in the last quarter. This posed a risk from sale personnel dependency in terms of customers’ relation. If there was resignation of sale representatives, customers may shift their purchase. This could result in a decrease of company’s sales and profits. Moreover, some special products require personnel’s special expertise and technical support from suppliers, this could cause more problems if the personnel left the company.



Risk management: Many customers have been trading partners with the company for a long time whether by contract, leasing contract or maintenance contract, at some point, this could reduce the risk of losing customers. Moreover, the company has Executives who have expertise in all products, and continuously provide training to employees. This allows the company to be able to manage personnel replacement. In addition, the company has used record tracking system to manage customers’ database which allows new

employees to be able to easily track existing customers. Another important thing is the company’s products, services, and special repairing services. The company also provides quality assurance for after sale service as customers have their own specifications for quality of materials. Finally, some customer groups are tied to special products and rely on specialized technology in the production, which dependency of the personnel does not place much impact.

2.5 Financial Instrument Risk



2.5.1 Credit Risk

CHO The bond issuers are not in the list of credit rating assessment. Credit risk is the risk in case that the issuer’s business operation are not as expected or issuer’s asset are not enough for payment, and issuer might be unable to pay interest or return principal or default of payment and the impacts that occurred from other default as stated in terms and condition (No. 11) of bond. If the issuer become bankrupt person or default of payment, the bondholders shall have the right to pay debt equivalent to creditor and do not have other collateral, so in case the issuer did not evaluate for credit risk, investors need to consider for issuer’s financial statement and ability to pay its debt from the information in the prospectus and should be following up company’s news continuously. The issuers are public company, so the investors are able to following up their news directly from (www.cho.co.th) and able to request for related information about issuer’s bond at The Thai Bond Market Association.

2.5.2 Price Risk

The risk that will occur once the bondholder prefers to sell bonds prior maturity date, the bond may be worth less than the par value or purchased value which is influence from the changing of market interest rate, stated that if the market interest rate is high, the bond value will decrease. Bonds with

longer maturities generally have higher interest rate risk than bonds with shorter maturities.

2.5.3 Liquidity Risk

The risk that will occur once the bondholder prefers to sell bonds prior maturity date in the secondary market, bondholders might not be able to sell his or her bonds quickly due to a thin market with few buyers and sellers for the bond. In case the bond issuers are not able to trade in Bond Electronic Exchange (BEX) or other secondary market, however bond holders are able to trade bond in secondary market with dealers who have the permission for trading bond which most of them are commercial banks or securities companies, if any person want to buy bond from bondholder that want to sell their bond through dealers. Moreover, bondholders would not able to sell or transfer bond to any person in generally, it have limitation to sell or transfer bond only with institutional investors and/ or high net worth investors according to limitations that bondholders had registered with SEC, referred to the Notification of the Securities and Exchange Commission Kor. Jor. 4/2560 on Determination of Definitions of Institutional Investors, Special High Net Worth Investors, and High Net Worth Investors, issued on February 8, 2017 (as additional amended or substitute used).

2.6 Risk of being Unable to Maintain Interest-Bearing Debt to Equity Ratio lower than 3:1



The company must comply with provision in regulating issue of debentures by maintaining Interest-Bearing Debt to Equity Ratio lower than 3:1 at the end of accounting period. At the date as of December 31, 2020, the company must do the following as an issuer of debentures.

- 1) Name-registered, unsubordinated, and unsecured debentures with debenture holder representative are issued to

institutional investors and high net worth investors for 545.30 units with face value of 1,000 baht each, total amount of 545.30 million Baht. The issued debentures have fixed annual interest rate of 6.75% with quarterly payment. The debentures have 3 years tenor and the maturity date on February 22, 2021. In the shareholders' meeting on February 5, 2021, there was an approval to extend the maturity duration for 1 year and 9 months, dated on November 22, 2022 with fixed annual interest rate of 7.50% and quarterly payment.

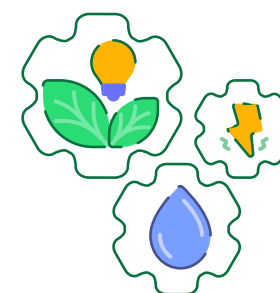
- 2) Name-registered, unsubordinated, and unsecured debentures with debenture holder representative are issued to institutional investors and high net worth investors for 300,000 units with face value of 1,000 baht each, total amount of 300.00 million Baht. The issued debentures have fixed annual interest rate of 7.00 % with quarterly payment. The debentures have 2 years tenor and the maturity date on October 10, 2021.
- 3) Long-term, unsubordinated, and unsecured debentures with debenture holder representative are issued to institutional investors and high net worth investors for 71,000 units with face value of 1,000 baht each, total amount of 71.00 million Baht. The issued debentures have fixed annual interest rate of 7.00 % with quarterly payment. The debentures have 2 years tenor and the maturity date on September 11, 2022.

On December 31, 2020, the company has the ratio of Interest-Bearing Debt (not include debt occurred from sale and maintenance project of 489 NGV buses) to Equity of 1.81. The debt occurred from sale and maintenance project of 489 NGV buses is the fund that SCN-CHO joint venture borrowed from Scan Inter Public Company Limited

to be used as contract collateral to BMTA for the contract period of 10 years.

Risk management: If the company is not able to maintain the ratio of the Interest-Bearing Debt to Equity lower than 3:1 at the end of accounting period of each quarter as projected, this will result in violation of the terms and conditions governing rights and obligations of the Issuer and the Debenture holders of "Debenture of Cho Thavee Public Company Limited as in 3.4" regarding maintaining Interest-Bearing Debt to Equity Ratio. Consequently, the company must hold shareholders' meeting to request for approval in the meeting.

For the incidence of default by debenture issuer, the debenture holder representative must follow the process according to the terms and conditions governing rights and obligations, and debenture holder representative designation contract.



3. Driving business for sustainability

The company has been working continuously on Social Responsibilities, considering every stakeholder. The Company has its policy and aspiration aiming at the leader in designing, creating, and manufacturing, innovative designs world-class technologies with professional management integration with unique knowledge, in order to reach the excellence building the confident and the satisfaction to the customers **with the consciousness in social responsibilities and environmental concern.** The company has its target in offering the quality products under the brand "CHO" to the international level with the proud and the happiness to the stakeholders and to build the competition power in reaching to be the leader in technology innovations for Thailand, with Social responsibility principles so as to be guidelines for organizational conduct.

The Company has disclosed the policy and operation plans for driving business for sustainability on Sustainable Report 2020, by focusing on providing related information that drives business for sustainability according to One Report structure. The report describes the sustainability management policy and goals, stakeholder's management in business value chain, sustainability management in terms of environment, and sustainability management in terms of social online at www.cho.co.th. The content for this report applied the materiality assessment of the international standard of Global Reporting Initiative: GRI Standard



www.cho.co.th

4. Management Discussion and Analysis

4.1 Performance

Overall Performance

The company is a leader in designing, creating, manufacturing and installing of engineering systems for commercial vehicle, as well as a world class technology Integrator regarding rail system, logistics, and national defense technology. The integration combined with professional management, such as Catering Hi-loaders Truck, Fire Fighting Truck, Rescue Truck, Truck for agricultural, trailers, special semi-trailers, project management for the building of Offshore Patrol Vessel (OPV), maintenance management project for Linfox regarding truck, trailer, semi-trailer of Tesco Lotus project, 489 units of Bus Maintenance Service Project for the BMTA with a 10-year period, and One Stop Services center

providing for general customers who need repair services of engine, suspension system and containers and vehicle body. The first service center opened in an area near Laem Chabang, Chonburi province. There is a plan to open 8 service centers across the country within 2022, London Taxi service center opened in 2020. The company's products are made-to-order products by custom design to meet proposes and budget of private sectors and governmental agencies in both domestic and overseas.

For the fiscal year 2018, 2019, and 2020, the company and subsidiaries reported total revenue of 2,288.22 million Baht, 1,609.21 million Baht, and 647.96 million Baht respectively. Total Profit (loss) for the period were 45.47 million Baht, 65.86 million Baht, and (238.74) million Baht respectively.

4.1.1 Operating performance

Revenues

Total revenues of the company and subsidiaries in 2018, 2019, and 2020 were 2,288.22 million Baht, 1,609.21 million Baht and 647.96 million Baht respectively. The changes can be described as follows.

The table of revenues classified by type of revenues in 2018, 2019 and 2020

Type of revenues	2018		2019		% change	2020		% change
	Million Baht	%	Million Baht	%	Y-o-Y	Million Baht	%	Y-o-Y
Revenues from contract	2,052.69	89.71	1,185.39	73.66	(42.25)	350.41	54.08	(70.44)
Revenues from sales & Services	214.15	9.36	339.20	21.08	58.39	277.06	42.76	(18.32)
Total	2,266.85	99.07	1,524.59	94.74	(32.74)	627.48	96.84	(58.84)
Other revenues	21.37	0.93	84.62	5.26	295.94	20.49	3.16	(75.79)
Grand total revenues	2,288.22	100.00	1,609.21	100.00	(29.67)	647.96	100.00	(59.73)

The table of revenues classified by countries in 2018, 2019 and 2020

Country	2018		2019		% Change	2020		% Change
	Million Baht	%	Million Baht	%	Y-o-Y	Million Baht	%	Y-o-Y
Thailand	1,986.66	87.64	1,399.91	91.82	(29.53)	572.61	91.26	(59.10)
Singapore	77.64	3.43	-	-	(100.00)	-	-	-
Korea	32.04	1.41	5.78	0.38	(81.96)	9.31	1.48	61.07
Japan	55.75	2.46	29.12	1.91	(47.77)	1.58	0.25	(94.57)
Hong Kong	27.94	1.23	26.57	1.74	(4.90)	5.88	0.94	(77.87)
Vietnam	18.41	0.81	41.44	2.72	125.07	20.90	3.33	(49.57)
Other countries	68.41	3.02	21.78	1.43	(68.16)	17.20	2.74	(21.03)
Total	2,266.85	100.00	1,524.60	100.00	(32.74)	647.96	100.00	(58.84)

From the table data classified by countries, showing that in 2020, the company and subsidiaries reported a decrease in revenue from domestic operation, and a decrease in overseas revenue as well. The decrease was mainly from (1) In 2020, revenue from the Special Design Product group regarding Catering Hi-Loaders Truck was decrease as the main customer of the company which is Aviation business affected by the Covid-19 pandemic causing orders delaying or cancellation in (2) In 2020, the company had no revenue recognition pursuant to the bus production when comparing with 2019 that the revenue recognized by the completion of the project of 189 buses production with contract value of 683.22 Baht.

Moreover, in 2020 revenue from service increased from the precious year after opening the first One Stop Service center at Laem Chabang, Chonburi since 2017 as well as the company had made the maintenance service contract for 489 buses for a 10 years period with the BMTA, to provide service from 2018 to 2028, and maintenance service contract for London Taxi for a period of 5 years from Dec 1, 2019 – Nov. 30, 2024, which was one of recurring income of the company.

Revenue from service which was from the project management that related to the company expertise, the company provides service to customer group such as logistics, retails, educational institutions, and the Royal Thai Navy.

The second service center in Surat Thani was under construction. It was located in an area of large logistics providers in the Southern region, expecting that the operation will be started in the second quarter of 2021. There is a plan to build more service center in 6 places to support the truck maintenance service nationwide within 2022.

Revenue from contracts

Revenue from contracts is a hiring contract for products manufacturing to meet the company's requirements and design, with the price specified clearly in the contracts. The company recognizes the revenue based on the Percentage of Completion Method. When the contractual work can be reliably estimated regarding the success stage of work, the revenue will be recorded in the Statement of Comprehensive Income calculated from the completion of work under the contract at the report date. The completion of work under the contract is calculated by the ratio of costs upon contract completion date to the report date, compared with the estimated cost of the entire contract. In the event that there is a probability that the total cost of the project exceeds contract revenues, the company will recognize the loss as an expense in the Statement of Comprehensive Income. The recognized revenue that is not due according to the contract will be indicated in the Financial Statements as the value of finish work that is uncollected from customers.

Revenue from contracts consisted of revenue from providing chassis design, body production and engineering system installation for commercial vehicles. There are 2 product groups, including Standard Product and Special Design Product. The revenue from design, production and installation of lightweight fiberglass cargo box by a subsidiary will be recorded as the Standard Product group. In 2018, 2019, and 2020, the Company and Subsidiaries had revenues classified by product group as follows.

The table of revenues classified by product group in 2018, 2019 and 2020

Product group type	2018		2019		% Change	2020		% Change
	Million Baht	%	Million Baht	%	Y-o-Y	Million Baht	%	Y-o-Y
Standard Product Group	131.62	6.41	200.90	16.95	52.64	43.59	12.44	(78.30)
Special Design Product Group	1,921.08	93.59	984.50	83.05	(48.75)	306.82	87.56	(68.83)
Total	2,052.70	100.00	1,185.40	100.00	(42.25)	350.41	100.00	(70.44)

The company and subsidiaries recorded the revenue of the Standard Product group consisted of revenues from design, production and assembly of products, truck, semi-trailer or vehicle that does not use a complex manufacturing technique. In 2018, 2019 and 2020, the revenue of Standard Product reported 131.62 million Baht, 200.90 million Baht, and 43.59 million Baht. The revenue of Special Design Product has more revenue proportion than the Standard Product as it is the product that requires special expertise with fewer competitors. In 2018, 2019, and 2020, the Company reported revenues of 1,921.08 million Baht, 984.50 million

Baht and 306.82 million Baht, or 93.59%, 83.05% and 87.56% of revenue from contracts respectively.

Revenue from sales and services

The Company and Subsidiaries recorded revenues from Sales and services in the Comprehensive Income Statement. When the customer has the power to control products or service by funds that reflects the consideration they are expected to be entitled to. Revenue from sales were (1) Spare part sales (some spare parts used for the production of goods) (2) Prototype product sales.

The table of revenues from Project Management, Sales and Services product group

Product group type	2018		2019		% Change	2020		% Change
	Million Baht	%	Million Baht	%	Y-o-Y	Million Baht	%	Y-o-Y
Project management, sales and services group	214.15	9.36	339.20	21.08	58.39	277.06	42.76	(18.32)

The company had revenues from Project Management and service in 2018, 2019 and 2020 of 214.15 million Baht, 339.20 million Baht and 227.06 million Baht respectively. The company records revenues from Project Management, and Services when the delivery is complete. The revenues were from truck and bus maintenance service, including customer vehicle service after the warranty expired. The revenue was mainly from the maintenance project management of trailer truck and semi-trailers truck from Linfox Transport (Thailand) Co., Ltd. (“Linfox”) and Ek-Chai Distribution System Co., Ltd. (“Tesco-Lotus”). The 2 companies consist of more than 758 vehicles in the project. In addition, the company has made maintenance service contract for 489 buses for a 10 year period with the BMTA, providing service from Mar. 1, 2018 to Feb. 28, 2028. In the fourth quarter of 2021, the company made maintenance service contract for London Taxi for a period of 5 years providing service from Dec. 4, 2019 to Nov. 30, 2024 Which are recurring income of the company, the revenue from project management and services is the main recurring income of the company, which promotes the company’s goal of diversifying business risk and reducing dependence on a particular industry group.

There are 6 Maintenance Service Centers located at Tesco-Lotus area, including Khon Kaen province, Lumlukka district, Wang Noi district, Sam Khok district, Bang Bua Thong district and Surat Thani province. The Company rent an area of about 4 Rai at Wang Noi District, Phra Nakhon Sri Ayutthaya in order to operate the Truck Maintenance Service center. The service center is for repairing accident

trucks that need a long time to be repaired, and for providing maintenance service for customers of other company and general customers. Therefore, the company can improve the potential to oversee customers in the central area, and it also increases a chance of providing maintenance service work from Linfox and Tesco-Lotus. In 2019, the company had expanded the service center to be One Stop Services, providing engine, suspension and body reparation service at Chonburi province, and it will be expanded throughout the country within 2022.

Other Revenues

The Company and Subsidiaries reported other revenues in 2018, 2019 and 2020 of 21.37 million Baht, 84.62 million Baht, and 20.49 million Baht respectively, or 0.93%, 5.26% and 3.16% of total revenues respectively. In 2019, the company recorded a profit from sales of property of 40.69 million Baht, and revenue from the reversal of doubtful accounts of 16.16 million Baht, so the revenue was higher than other year. In 2018, the company gained a profit of 43.00 million Baht from the sale of property.

Cost and Gross Profit

The cost of the company divided into 2 types as follows

- 1) Contract Cost consisted of materials cost, salary, labor cost related to the production by departments, other labor cost of third party, and cost of production.
- 2) Cost of sales and services consisted of the cost of goods, salary, and the labor cost of related departments.

The company has determined policy regarding the pricing of contract work, which the profit should not lower than 15%. It determined that there should be production cost reviews to comply with actual cost in quarterly or when there are any factors that significantly affect the cost of such work.

In 2018, 2019, and 2020 the Company and Subsidiaries reported contract cost of 1,711.54 million Baht, 932.90 million Baht and 307.94 million Baht respectively, or 83.38%, 78.70%, and 87.88% of revenue from contract respectively.

In 2019, the contract cost of the company decreased with the continual in contract revenue due to the company designed an equipment to reduce work process (R2R), causing a decrease in working hours.

In 2020, the company has a proportion of contract costs to contract income which increased from the previous year due to there was a reserve for depreciation of goods with slow movement and work under production that affected by the domestic airlines entered the rehabilitation process of the Central Administrative Court.

In 2018, 2019, and 2020, Cost of sales and service of the company and subsidiaries was 165.89 million Baht, 262.84 million Baht, and 246.67 million Baht or 77.46%, 77.49, and 89.03% of the cost of sales and service.

The company sale and service costs continue to rise, revenue was flexible, mainly were from an increase of service revenue as mentioned in revenue part.

In 2018 and 2019, cost of sales and service proportion per sales and service revenue was relatively similar. In 2020, cost of sales and service per sales and service revenue increased due to the impact from the preventive measures for bus operation suspension during the COVID-19 situation, there was a decrease in revenue affected the cost proportion in 2020.

Expenses of Sales and Management

Expenses of Sales and Management of the Company and Subsidiaries, including an expense of human resource, an expense for goods exported to customers, an expense for domestic transportation.

Table of Expenses of Sales and Management

Item	2018		2019		% Change	2020		% Change
	Million Baht	%	Million Baht	%	Y-o-Y	Million Baht	%	Y-o-Y
Expense of Sales	39.85	1.74	32.39	2.01	(18.73)	19.84	3.06	(38.75)
Expense of Management	179.02	7.82	160.53	9.98	(10.33)	167.84	25.90	4.55
Total	218.87	9.57	192.92	11.99	(11.86)	187.68	28.96	(2.72)

In 2018, 2019, and 2020, Expenses of Sales and Management of the company and subsidiaries were 218.87 million Baht, 192.92 million Baht and 187.68 million Baht respectively. In 2020, the expenses decreased 2.72% YOY, as the company has expenses control measures.

Earnings Before Interest and Taxes (EBIT)

Table of Earnings Before Interest and Taxes								
Item	2018		2019		% Change	2020		% Change
	Million Baht	%	Million Baht	%	Y-o-Y	Million Baht	%	Y-o-Y
EBIT	191.92	8.39	220.55	13.71	14.92	(94.33)	(14.56)	(142.77)

Earnings Before Interest and Taxes (EBIT) of the Company and Subsidiaries for the year 2018, 2019, and 2020 were 191.92 million Baht, 220.55 million Baht, and (94.33) million Baht respectively, or 8.39%, 13.70% and (14.56%) of the total revenues respectively.

In 2019, EBIT have been increased from the previous year, which were from an expansion in Project Management Group and Sales and Services increased from Truck maintenance service with a long-term contract, Project of Bus for Rent, and project management for public transportation of governmental agencies and private sectors.

For the year 2020, EBIT of the company was loss due to a decrease in revenue from contract as mentioned in the revenue part.

Financial cost

Table of Financial Cost								
Item	2018		2019		% Change	2020		% Change
	Million Baht	%	Million Baht	%	Y-o-Y	Million Baht	%	Y-o-Y
Financial Cost	141.45	6.18	145.65	9.05	2.97	144.61	22.32	(0.72)

In 2018, 2019 and 2020, the financial cost of the company and subsidiaries were 141.45 million Baht, 145.65 million Baht and 144.61 million Baht respectively. The financial costs were from financial institution loan, Debentures issuance, and loan from related business and person. The financial cost is stable each year because there are measures to control the loan amount for not exceeding the approved limit.

Corporate Income Tax

In 2018, 2019, and 2020 Corporate income Tax were 4.87 million Baht, and 8.95 million Baht and (0.31) million Baht respectively. In 2018 and 2019 the company and subsidiaries had a profit before corporate income tax, so there was the corporate income tax. In 2020, there was a loss before corporate tax, so there was revenue from corporate tax.

Net Profit (Loss), Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)

Table of Net Profit (Loss), Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)								
Item	2018		2019		% Change	2020		% Change
	Million Baht	%	Million Baht	%	Y-o-Y	Million Baht	%	Y-o-Y
Net Profit (Loss)	45.47	1.99	65.86	4.09	44.84	(238.74)	(36.85)	(462.52)
EBITDA	246.19	10.76	278.21	17.29	12.99	(24.53)	(3.79)	(108.81)
Total Revenues	2,288.22	100.00	1,609.21	100.00	(29.67)	647.96	100.00	(59.73)

In the fiscal year 2018, 2019 and 2020, EBITDA were 246.19 million Baht, 278.21 million Baht and (24.53) million Baht. Net profit (loss) was 45.47 million Baht, 65.86 million Baht, and (238.74) respectively, calculated as 1.99%, 4.09% and (36.85%) of total revenue respectively.

In 2019, net profit and EBITDA increased from the previous year due to the company was able to control the gross profit ratio with a decrease in sales and management expenses as mentioned in Cost and Gross Profit and sales and management expenses parts.

In 2020, the company reported net loss and operating loss before depreciation and amortization, because the revenue from contract decreased significantly from the impacts of the COVID-19 pandemic as mentioned in revenue part.

Return on Equity Ratio (ROE)

For the fiscal year 2018, 2019, and 2020, the Company and Subsidiaries had ROE of 5.86%, 7.13% and (25.19)% respectively.

4.1.2 Financial status

Asset

For the fiscal year 2018, 2019, and 2020, the Company and Subsidiaries had total assets of 3,640.80 million Baht, 3,251.79 million Baht and 3,138.32 million Baht respectively. The details of important asset items are as follows:

Cash and Cash Equivalence

For the fiscal year 2018, 2019, and 2020, the Company and Subsidiaries reported Cash and Cash Equivalence of 3.71 million Baht, 12.93 million Baht and 16.13 million Baht respectively, consisting of petty cash and bank deposit, including saving accounts, current accounts and fixed deposit account.

Accounts Receivables and Allowance for Doubtful Accounts

For the fiscal year 2018, 2019, and 2020, the company and subsidiaries had Accounts Receivables and other receivable of 720.44 million Baht, 471.58 million Baht, and 226.38 million Baht respectively. As of December 31, 2018, 2019 and 2020, the company had Accounts Receivables and other receivables as follows.

Item	Dec.31,2018	Dec.31,2019	Dec.31,2020
	Million Baht	Million Baht	Million Baht
Accounts Receivables			
Related person or company	259.22	253.84	158.91
Person or other company	319.99	129.72	63.53
Total	579.21	383.56	222.44
Deduction of Doubtful Accounts	(18.61)	(2.45)	(18.61)
Net	560.60	381.11	203.83
Other Receivables			
Related person or company	69.12	39.18	14.18
Person or other company	90.72	51.29	8.37
Total	159.84	90.47	22.55
Total Account Receivables and Other Receivables	720.44	471.58	226.38

The company has set new item of Account Receivables and Other Receivables in the Financial Statement as of December 31, 2018. to compare with 2019 and 2020 as at the end of the year 2018-2020. Accounts receivable continued to decrease, in 2019 the company received a payment form customer who is a major receivable according to the terms of trade, causing a decrease in account receivables comparing with the previous year. In 2020, the company had a decrease in revenue from operation comparing with the previous year, account receivables had been paid according to the terms of trade, so there was a decrease in trade accounts receivable from the previous year.

Account Receivables classified by period of outstanding payment in 2018, 2019, and 2020 are as follows.

Table of Accounts Receivables Classified by Maturity			
Item	Dec.31,2018	Dec.31,2019	Dec.31,2020
	Million Baht	Million Baht	Million Baht
Accounts Receivables Classified by Maturity:			
Not due	390.52	66.52	25.49
Not over 3 months	52.83	86.55	0.28
Between 3 – 6 months	43.80	2.96	0.14
Between 6 - 12 months	37.65	139.70	1.26
Over 12 months	54.42	87.83	195.27
Total Accounts Receivables	579.22	383.56	222.44
Deduct allowance for doubtful accounts	(18.61)	(2.45)	(18.61)
Total Net Receivables	560.62	381.11	203.83

The Company and Subsidiaries estimated allowance for Doubtful Accounts by a forecast from debtors who expected to be uncollectible, an analysis of debtor's payment history, and a forecast about further repayments of debtors for consideration on the maturity. For the Accounts Receivables who has more than 12 months overdue. Allowance for Doubtful Accounts is set according to the Thai Financial Reporting Standard no. 9, Financial Instruments (TFRS9).

In January 2020, the company and a subsidiary (Cho Thavee Thermotech Co., Ltd.) made an MOU with Cho Thavee (1993) Co., Ltd. for the monthly repayment of the outstanding amount as follows.

The outstanding balance will be paid to the company monthly, in an amount of 2.3 million Baht for a period of 71 months, the last instalment is 4.52 million Baht to be paid within date Jan. 1, 2020 – Dec. 1, 2025. Cho Thavee Thermotech Co., Ltd. (a

subsidiary) will pay 1.1 million Baht monthly for 71 months, and the last installment is 2.27 million Baht, payment period from Jan. 1, 2020 – Dec. 1, 2025. If there is a default, the default interest rate is 7.5% p.a. of the overdue debt value. As of December 31, 2020, outstanding balance was 194.45 million Baht.

Inventory

For the Fiscal Year 2018, 2019 and 2020, the company and subsidiaries had an inventory of 765.18 million Baht, 652.25 million Baht and 743.39 million Baht respectively. Mostly, the inventory are material, spare parts or components, including in-stock or in transit to the warehouse.

At the end of 2019, inventory decreased from the previous year as there was a delivery of 189 NGV buses

At the end of 2020, the increased inventory was due to the company has ordered materials for the production of goods used in repair and maintenance service of truck and the bus

maintenance service that received maintenance service contract from the BMTA for a period of 10 year from 2018 to 2028

Restricted Deposit at Financial Institution

As of December 31, 2018, 2019, and 2020, the Company and Subsidiaries reported Fixed Deposit at Financial Institution of 41.40 million Baht, 62.86 million Baht and 37.54 million Baht respectively. Fixed Restricted Deposit applied as a security for loans from financial institutions, such as an Overdraft facility, and a Bank Guarantee credit facility. There is more necessary to use credit facilities as an increase of project value and contract.

At the end of 2019, fixed restricted deposit applied as increased security because there was an increase in fixed deposit as a security for a new credit facility from financial institution used for the project of air conditioning NGV bus.

At the end of 2020, fixed restricted deposit applied as a security decreased because the company repaid credit facility to the financial institution, the fixed deposit as securities was released in partial.

Property for Investment

For the fiscal year 2018, 2019, and 2020, the Company and Subsidiaries had Property for Investment of 81.58 million Baht, 0.00 million Baht, and 89.04 million Baht respectively. The property value was evaluated by independent valuer using the market price method with consideration on the usage on the evaluation date.

At the end of 2019, property for investment decreased because the company sold land of 79.30 million Baht during the year, and gain profit of 40.70 million Baht

At the end of 2020, property for investment increased, because during the year there was a

land transfer in an amount of 353.13 million Baht. From the item of land, building and equipment transferred to be property for investment. The land is considered as land for sale, during the year the company sold property valued of 254.80 million Baht, and gain profit from the sale of 2.40 million Baht.

Land, Building and Equipment

As of December 31, 2018, 2019, and 2020, the Company and Subsidiaries had land, building and equipment valued 1,097.86 million Baht, 1,108.73 million Baht, and 1,029.94 million Baht respectively. There were lands of the Company Headquarter, factory building, building at branches, equipment, office decoration, durable goods, vehicles, and under installation assets.

Sources of Fund

Liabilities

As of December 31, 2018, 2019, and 2020, the Company and Subsidiaries reported liabilities of 2,752.06 million Baht, 2,293.61 million Baht, and 2,201.04 million Baht respectively. The important liabilities are as follows.

Overdraft, Short Term Loan from Financial Institution

As of December 31, 2018, 2019, and 2020, the Company and Subsidiaries reported overdraft and short term loan from financial institutions of 1,077.80 million Baht, 571.92 million Baht, and 592.68 million Baht respectively. It was a transaction of liabilities from credit facilities provided by financial institutions to support the Company and Subsidiaries as a working capital, for example, Overdraft, Trust Receipt, Packing Credit, Domestic Letter of Credit, Letter of Credit, Forward Contract, Security, and Promissory Note.

Accounts Payable and Other Creditors

As of December 31, 2018, 2019, and 2020, the Company and Subsidiaries reported Accounts Payable and Other Creditors of 444.23 million Baht, 199.38 million Baht, and 211.09 million Baht respectively. In 2019, and 2020 accounts payable and other creditors decreased from 2018, because there was accounts payable from the procurement of materials to supply the project of air conditioning NGV bus, and the outstanding balance had been paid in 2019.

Most of the Accounts Payable items are cost of goods, raw material, material used for production, and spare parts used for maintenance service. As of December 31, 2018, 2019 and 2020 accounts payable were 346.45 million Baht, 109.13 million Baht and 144.19 million Baht which were material and spare parts procurements used for the projects and maintenance service.

The company has credit term from Account Payable in an average of about 60-90 days. The Average Payment Period as of December 31, 2018, 2019 and 2020 were 53 days, 70 days and 88 days respectively.

The company had a continual average payment period each year because of the impact from the COVID-19 pandemic. The company took relief measures by an extension of credit term.

Debentures

As of December 31, 2018, 2019, and 2020, the company had debentures due within 1 year of 125.85 million Baht, 299.04 million Baht, and 931.75 million Baht, Long-term debentures were 198.53 million Baht, 841.34 million Baht and 70.61 million Baht respectively. The company issued debentures for the operation under contract regarding the project of bus maintenance service. As of December 31, 2020 the company had debentures as follows.

1) Debentures with Name-registered, Unsubordinated and Unsecured, with Debenture Holders' Representative, Offered to Institutional and High Net Worth Investor

- 1.1) Debentures 545,300 units, par value 1,000 Baht per unit, total value 545.30 million Baht (after deducting direct cost of debenture issuance of 1.60 million Baht, net value 543.70 million Baht), fixed interest rate at 6.75% p.a., interest to be paid every quarter, debentures terms 2 years, maturity in February 2021
- 1.2) Debentures 300,000 units, par value 1,000 Baht per unit, total value 300 million Baht (after deducting direct cost of debenture issuance of 2.29 million Baht, net value 297.71 million Baht), fixed interest rate at 7% p.a., interest to be paid every quarter, debentures terms 2 years, maturity in October 2021
- 1.3) Debentures 71,000 units, par value 1,000 Baht per unit, total value 71 million Baht, fixed interest rate at 7% p.a., interest to be paid every quarter, debentures terms 2 years, maturity in September 2022

The company is obligated to comply with conditions regarding the rights and duties of debenture issuers set forth in the Prospectus for the offering of debentures.

Short-term loan

As of December 31, 2018, 2019, and 2020, the company and subsidiaries had a short-term loan of 769.77 million Baht, 298.15 million Baht, and 10.83 million Baht. The loan was borrowed from the joint venture that invested in the Special Project of NGV Bus to invest in the procurement of 489 NGV buses, interest rate of 6.25%-15% p.a. The company has continued to repay the short-term loan mostly in 2019, and 2020.

Short-term Loan from other person and business due within 1 year and long-term loan from other person and business

As of December 31, 2018, 2019, and 2020, Long-term loan due within 1 year were 42.26 million Baht, 24.90 million Baht, and 33.10 million Baht. At the end of 2018, long-term loan from other person and business was of 24.90 million Baht, the loan was for the project of the Ordnance repair center (Light Gun restoration) interest rate at 11.50% p.a., from October 2019 to April 2021. At the end of 2020, the company had loan from other person and business for the investment in the project of lighting system improvement in the factory, interest rate of 2.00% p.a., due in April 5, 2025.

Finance lease liabilities (Excluding finance lease liabilities due in 1 year)

As of December 31, 2018, 2019, and 2020, finance lease liabilities were 24.56 million Baht, 1.30 million Baht, and 43.14 million Baht.

Defined Benefit Obligation

From January 1, 2011, the Company and Subsidiaries applied the Thai Financial Reporting Standards no. 19, Employee Benefits. The insurance mathematician estimates employee benefit liabilities. The management recorded reliabilities and benefits of employees occurred before 2011 by adjustment of net profit as at the beginning of the fiscal year 2011 according to the standards, and recorded liabilities and benefits of employees in the quarter 2/2019 according to the Labour Protection Act (No. 7) B.E. 2562, for employees who has a working period of more than 20 years.

For the fiscal year 2018, 2019, and 2020, the company and Subsidiaries had estimated Defined Benefit Obligation (not including short-term) of 26.91 million Baht, 33.62 million Baht, and 14.71 million Baht respectively. In 2020, the company had estimated short-term Defined Benefit Obligation of 14.84 million Baht. This estimated all forms of

remuneration provided by the company in exchange for services provided by employees or terminations.

Shareholder’s Equity

As of December 31, 2018, 2019, and 2020, the Company and Subsidiaries had Major Shareholder’s Equity of 888.74 million Baht, 958.18 million Baht and 937.28 million Baht respectively.

As of December 31, 2020, the company reported registered capital of 589.00 million Baht, the paid-up capital was 330.48 million Baht, share premium was 532.83 million Baht, and share premium from share based criteria was 29.01 million Baht. A discount from an increase of investment in subsidiaries was (5.63) million Baht. A legal reserve was 9.65 million Baht, no profits were allocated due to loss, an unallocated profit was (112.90) million Baht.

Liquidity Analysis

Table of Key Financial Ratio				
Item		Dec.31,2018	Dec.31,2019	Dec.31,2020
		Million Baht	Million Baht	Million Baht
Key Financial Ratio:				
Liquidity Ratio	times	0.85	1.22	0.81
Quick ratio	times	0.29	0.34	0.13
D/E Ratio	times	3.10	2.39	2.35
Interest Bearing D/E Ratio	times	2.55	2.14	2.04
Average Collection Period	days	85	141	200
Average Inventory Period	days	108	223	453

Liquidity ratio as of December 31, 2018, 2019, and 2020 were 0.85 times, 1.22 times, and 0.81 times respectively. Quick ratio as of December 31, 2018, 2019, and 2020 were 0.29 times, 0.34 times and 0.13 times respectively.

As of December 31, 2020, the company and subsidiaries had a liquidity ratio of 0.81 times, current assets consisting of cash and bank deposits, accounts receivable, and other current assets, which were less than short-term liabilities. It complied with the company policy. The company and subsidiaries had a quick ratio of 0.13 times with cash and bank deposits and accounts receivable less than short-term liabilities.

The D/E ratio and Interest Bearing D/E Ratio as of December 31, 2020 was 2.35 times, and 2.04 times respectively. The figures were close to December 31, 2019, which was 2.39 times, and 2.14 times.

In 2020, Average Collection Period was higher due to the customers affected by the COVID-19 pandemic, and outstanding accounts receivable took long time to collect, most of them were domestic airline customers.

In 2020, Average Inventory Period increased, because the goods were not released, some of which need to order in a specific quantity for the best price, and material will have to be prepared for the special production to support the production plan in the future.

Condition of Financial Ratio

The Company and Subsidiaries have an obligation to maintain the financial ratio due to the debenture issuance. The Interest Bearing D/E Ratio is required to maintain at a rate of not over 3 times. As of December 31, 2020, the Interest Bearing D/E Ratio of the Company was 2.04 times.

Expenses for Investment

In 2018, 2019, and 2020 the company had inbound cash flow (outbound) from investment activities of (174.01), (105.37), and 350.87 respectively. In 2017 and 2018, the company invested in the construction of the truck Maintenance Service Center at Chonburi, which was opened and its revenues were recognized. In 2019, the company invested in 1 more Service Center in Surat Thani under the name Sib Lor 24-hour. In 2019, the company invested in equipment and other assets for the operation of London Taxi maintenance service center.



4.2 Financial Statement Highlights

(n) Auditor and summary of Auditor opinion

The auditor has audited financial reports of the company and its subsidiary company for the year 2018 -2020 with the summary as follows:

Audited	accounting period for year 2018 ending 31st December 2018
Auditor	PricewaterhouseCoopers ABAS Limited by Mr. Sudwin Panyawongkhanti CPA Registration No.3534 the auditor with the permission from the SEC
Auditor’s Opinion	Express the opinion without condition that the consolidated and company financial statement referred to above present fairly, in all material respects, the consolidated and company financial position of Cho Thavee Public Co., Ltd. and its subsidiaries and of Cho Thavee Public Co., Ltd. as at 31 December 2018, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Audited	accounting period for year 2019 ending 31st December 2019
Auditor	KPMG Phoomchai Audit Limited by Mr. Waiyawak Kosamarnchaiyakij CPA Registration No.6333 the auditor with the permission from the SEC
Auditor’s Opinion	Express the opinion without condition that the consolidated and company financial statement referred to above present fairly, in all material respects, the consolidated and company financial position of Cho Thavee Public Co., Ltd. and its subsidiaries and of Cho Thavee Public Co., Ltd. as at 31 December 2019, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Audited	accounting period for year 2020 ending 31st December 2020
Auditor	KPMG Phoomchai Audit Limited by Ms. Bongkot Amsageam CPA Registration No.3684 the auditor with the permission from the SEC
Auditor’s Opinion	Express the opinion without condition that the consolidated and company financial statement referred to above present fairly, in all material respects, the consolidated and company financial position of Cho Thavee Public Co., Ltd. and its subsidiaries and of Cho Thavee Public Co., Ltd. as at 31 December 2020, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



Cho Thavee Public Company Limited and its Subsidiaries

Statement of financial position

As of December 31, 2020, 2019 and 2018

(in million Baht)

	Audited					
	31-Dec-20	%	31-Dec-19	%	31-Dec-18	%
Assets						
Current assets						
Cash and cash equivalents	16.13	0.51	12.93	0.40	3.71	0.10
Trade and other current receivables	226.38	7.21	471.58	14.50	720.44	19.79
Current contract assets	307.54	9.80	387.49	11.92	567.81	15.60
Short-term loans to related persons and related parties	-	-	111.07	3.42	-	-
Inventories	743.39	23.69	652.25	20.06	765.18	21.02
Other current assets	173.95	5.54	96.85	2.98	58.63	1.61
Total current assets	1,467.40	46.76	1,732.16	53.27	2,115.77	58.11
Non-current assets						
Restricted deposit at financial institution	37.54	1.20	62.86	1.93	41.40	1.14
Investment in associate	2.34	0.07	2.46	0.08	2.55	0.07
Investment in non-marketable equity instruments	25.00	0.80	25.00	0.77	-	-
Trade non-current receivables	157.99	5.03	-	-	-	-
Non-current contract assets	32.61	1.04	-	-	-	-
Investment properties	89.04	2.84	-	-	81.58	2.24
Property, plant and equipment	1,029.94	32.82	1,108.73	34.10	1,097.86	30.15
Intangible assets	18.77	0.60	20.81	0.64	36.69	1.01
Deferred tax assets	-	-	10.97	0.34	12.65	0.35
Refundable deposits	240.03	7.65	236.52	7.27	236.32	6.49
Refundable deposits	37.66	1.20	52.28	1.61	15.98	0.44
Total non-current assets	1,670.93	53.24	1,519.63	46.73	1,525.04	41.89
Total assets	3,138.32	100.00	3,251.79	100.00	3,640.80	100.00

(in million Baht)

Statement of financial position

Liabilities and equity

Current liabilities

	31-Dec-20	%	31-Dec-19	%	31-Dec-18	%
Bank overdrafts and short-term loans from financial institutions	592.68	18.89	571.92	17.59	1,077.80	29.60
Trade and other current payables	211.09	6.73	199.38	6.13	444.23	12.20
Current contract liabilities	0.54	0.02	2.00	0.06	1.59	0.04
Current portion of long-term loans	33.10	1.05	24.90	0.77	42.27	1.16
Short-term loans	10.83	0.34	298.15	9.17	769.77	21.14
Current portion of lease liabilities	4.55	0.14	11.43	0.35	10.91	0.30
Current portions of debenture	931.75	29.69	299.04	9.20	125.85	3.46
Current income tax payable	0.38	0.01	2.21	0.07	6.23	0.17
Current provisions for employee benefits	14.84	0.47	-	-	-	-
Other current liabilities	20.33	0.65	8.33	0.26	9.43	0.26
Total current liabilities	1,820.08	58.00	1,417.36	43.59	2,488.07	68.34

Non-current liabilities

Long-term loans	222.00	7.07	-	-	24.90	0.68
Lease liabilities	43.14	1.37	1.30	0.04	13.65	0.38
Debentures	70.61	2.25	841.34	25.87	198.53	5.45
Deferred tax liabilities	30.51	0.97	-	-	-	-
Non-current provisions for employee benefits	14.71	0.47	33.62	1.03	26.91	0.74
Total non-current liabilities	380.96	12.14	876.26	26.95	263.99	7.25
Total liabilities	2,201.04	70.13	2,293.62	70.53	2,752.06	75.59

Equity

Share capital						
Authorised share capital	589.00		589.00		460.28	
Issued and paid-up share capital	330.48	0.11	327.22	10.06	327.22	8.99
Share premium on ordinary shares	532.83	0.17	524.90	16.14	524.90	14.42
Share premium from share-based payment	29.01	0.01	29.01	0.89	29.01	0.80
Discount from increment of investments in subsidiary	(5.63)	(0.00)	(5.63)	(0.17)	(5.63)	(0.15)
Retained earnings (Deficit)						
Appropriated - Legal reserve	9.65	0.00	9.65	0.30	6.82	0.19
Unappropriated (Deficit)	(112.91)	(0.04)	73.03	2.25	6.42	0.18
Other components of equity	153.85	0.05	-	-	-	-
Equity attributable to the parent	937.28	0.30	958.18	29.47	888.74	24.41
Non-controlling interests	0.001	0.00	0.002	-	-	-
Total equity	937.28	0.30	958.18	29.47	888.74	24.41
Total liabilities and equity	3,138.32	100.00	3,251.79	100.00	3,640.80	100.00

(in million Baht)

Statement of comprehensive income

Revenues

	31-Dec-20	%	31-Dec-19	%	31-Dec-18	%
Revenue from contract	350.41	54.08	1,185.39	73.66	2,052.69	89.71
Revenue from sales and services	277.06	42.76	339.20	21.08	214.15	9.36
Other income	20.49	3.16	84.62	5.26	21.37	0.93
Total revenues	647.96	100.00	1,609.21	100.00	2,288.22	100.00
Cost of contract	(307.94)	(47.52)	(932.90)	(57.97)	(1,711.54)	(74.80)
Cost of sales and services	(246.67)	(38.07)	(262.84)	(16.33)	(165.89)	(7.25)
Total Costs	(554.61)	100.00	(1,195.73)	100.00	(1,877.43)	100.00
Gross profit	72.86	11.25	328.86	20.44	389.41	17.02
Profit before expense	93.35	14.41	413.47	25.69	410.79	17.95
Distribution costs	(19.84)	(3.06)	(32.39)	(2.01)	(39.85)	(1.74)
Administrative expenses	(167.84)	(25.90)	(160.53)	(9.98)	(179.02)	(7.82)
Finance costs	(144.61)	(22.32)	(145.65)	(9.05)	(141.45)	(6.18)
Share of loss of investments in associate	(0.12)	(0.02)	(0.09)	(0.01)	(0.12)	(0.01)
Profit (loss) before income tax expense	(239.05)	(36.89)	74.81	4.65	50.34	2.20
Tax expense (income)	(0.31)	(0.05)	(8.95)	(0.56)	(4.87)	(0.21)
Profit (loss) for the year	(238.74)	(36.85)	65.86	4.09	45.47	1.99

Other comprehensive income

Items that will not be reclassified subsequently to profit or loss

• Gain on revaluation of assets	246.06	37.97	-	-	-	-
• Gains on remeasurements of defined benefit plans	16.47	2.54	4.48	0.28	0.63	0.03
• Income tax relating to items that will not be reclassified	(52.51)	(8.10)	(0.90)	(0.06)	(0.13)	(0.01)
Other comprehensive income (expense) for the year, net of tax	210.03	32.41	3.58	0.22	0.50	0.02
Total comprehensive income (expense) for the year	(28.72)	(4.43)	69.44	4.32	45.97	2.01

Profit (loss) attributable to:

Owners of parent	(238.74)	(36.84)	65.86	4.32	45.47	1.99
Non-controlling interests	(0.001)	(0.00)	(0.002)	(0.00)	-	-
	(238.74)	(36.85)	65.86	4.32	45.47	1.99

Total comprehensive income (expense) attributable to:

Owners of parent	(28.72)	(4.43)	69.44	4.32	45.97	2.01
Non-controlling interests	(0.001)	(0.00)	(0.002)	(0.00)	-	-
	(28.72)	(4.43)	69.44	4.32	45.97	2.01

Earnings (loss) per share

Basic and diluted earnings (loss) per share (Baht)	(0.1806)		0.0503		0.0379	
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(in million Baht)

Statement of cash flows

Cash flows from operating activities

Profit (loss) for the year	(238.74)	65.86	45.47
Adjustments to reconcile profit to cash receipts (payments)			
Tax expense (income)	(0.31)	8.95	4.87
Depreciation and amortisation	69.79	57.75	54.39
Interest income	(13.51)	(17.26)	(0.30)
Finance costs	144.61	145.65	141.45
Unrealised (gain) loss on exchange and others	(3.90)	(5.97)	(0.24)
Employee benefit expenses	27.79	11.19	5.54
Share of loss from investment in associate	0.12	0.09	0.12
(Reversal of) bad and doubtful debts expenses and loss on inventories devaluation	19.58	(16.72)	21.22
Provision for warranty	-	-	(1.08)
Income from late payment penalty related parties	-	-	(8.91)
Gain on sale of property, plant and equipments and investment properties	(2.40)	(40.69)	0.31
Non-controlling interests	-	-	0.0003
	3.03	208.86	262.87

Changes in operating assets and liabilities

Trade and other current receivables	100.55	265.02	(527.61)
Inventories	(91.19)	50.24	(410.94)
Current contract assets	28.03	180.32	(7.71)
Other current assets	(77.11)	24.96	(235.44)
Other non-current assets	5.14	(31.56)	(133.97)
Trade and other current payables	19.39	(232.99)	101.01
Current contract liabilities	(1.46)	0.41	-
Provisions for employee benefits	-	-	(0.47)
Other current liabilities	9.41	(1.11)	1.50
Paying debt for employee benefits	(15.39)	-	-
Net cash flows generated from (used in) operating	(19.62)	464.14	(950.76)
Taxes received (paid)	0.56	(8.02)	(9.01)
Net cash from (used in) operating activities	(19.06)	456.12	(959.77)

Cash flows from investing activities :

Decrease (increase) in restricted deposit at financial institution	25.32	(21.46)	(4.40)
Decrease (increase) in short-term loans to related parties	111.07	(111.07)	-
Cash received from sale of investment property	254.80	122.27	-
Cash paid for investing in other investments	-	(25.00)	-
Cash received (paid) for buying and selling land buildings and equipment	(41.11)	(70.32)	(167.05)
Cash paid for purchase of intangible assets	-	-	(3.03)
Interest received	0.79	0.22	-
Net cash from (used in) investing activities	350.87	(105.37)	(174.48)

(in million Baht)			
Statement of cash flows	Audited		
	2020	2019	2018
Cash flows from financing activities :			
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	20.77	(505.88)	107.86
Increase (decrease) in short-term loans	(74.28)	(488.99)	769.03
Interest paid	(144.61)	(150.83)	-
Payment of lease liabilities		(11.84)	(11.71)
Repayment of debentures	-	-	(17.45)
Proceeds of long-term loans	14.40	-	83.00
Proceeds from issue of debentures		816.00	24.14
Proceed form issue of ordinary shares	-	-	180.48
Payment of loan	(299.01)	-	-
Net cash used in financing activities	(328.61)	(341.54)	1,135.35
Net increase in cash and cash equivalents	3.20	9.22	1.10
Cash and cash equivalents at 1 January	12.93	3.71	2.61
Cash and cash equivalents at 31 December	16.13	12.93	3.71

Supplementary information for cash flows

Non-cash transactions			
Transfer of short-term loan to long-term loan	213.04	-	-

(in million Baht)				
© Summary of Major Financial Ratio	Audited			
	2020	2019	2018	
Liquidity Ratio				
Current ratio	(Time)	0.81	1.22	0.85
Quick ratio	(Time)	0.13	0.34	0.29
Cash flow liquidity ratio	(Time)	0.09	0.19	0.20
Account receivables turnover ratio	(Time)	2.06	3.17	4.97
Collection period	(Time)	177	115	73
Inventory turnover ratio	(Time)	0.78	1.66	3.29
Average day sales	(Days)	468	220	111
Account payables turnover ratio	(Time)	4	5.25	6.88
Payment period	(Days)	88	70	53
Cash cycle	(Days)	557	265	131
Profitability ratio				
Gross profits	(%)	11.61	21.57	17.18
Operating profits	(%)	(15.03)	14.47	8.47
Other profits	(%)	3.16	5.26	0.93
Cash to earning	(%)	(156.20)	164.79	213.21
Net profits	(%)	(36.85)	4.09	1.99
Earning per share	(%)	(25.19)	7.13	5.86
Efficiency ratio				
Return on assets	(%)	(7.47)	1.91	1.52
Return in fixed assets	(%)	(14.90)	10.54	8.66
Asset cycle	(Time)	0.20	0.47	0.77
Financial policy ratio				
Debts to equity ratio	(Time)	2.35	2.39	3.10
Interest bearing debt to total equity ratio ¹	(Time)	2.04	2.14	2.55
Operating EBITDA margin ²	(Time)	(77.15)	7.31	9.18
Debt Service Coverage Ratio (DSCR) ³	(Time)	0.18	0.90	1.06
Cash interest coverage raio ⁴	(Time)	1.02	2.41	3.27
Interest coverage ratio ⁵	(Time)	(0.17)	1.85	1.97
Cash basis ⁶	(Time)	0.30	1.48	2.45
BE size to interest bearing debt ratio	(Time)	0.26	0.45	0.43
Debt with interest with 1 year due to debt with interest expenses ratio	(Time)	0.82	0.59	0.90
Loan from financial institutions to tatal debt ratio Dividend payout ratio	(Time)	0.27	0.25	0.39
Dividend payout ratio	(%)	n.a.	n.a.	n.a.

Note :

1. Interest bearing debt to total equity (time), calculated by liabilities with interest expenses, but excluding loan used for projects and non recurring project, having starting and ending period in occasional, divided by equity.
2. Operating EBITDA margin (time), calculated by net debt (mean interest bearing debt) deducted by cash and/or cash equivalence and/or short term investment cash, divided by EBITDA.
3. DSCR, calculated by EBITDA devided by long term debt due in the coming year (excluding debunture) and interest expenses in both long term and short term.
4. Cash interest coverage ratio, calculated by operating cash flow + income tax paid + operating interest expenses from operating investment and financing.
5. Interest coverage ratio, calculated by EBITDA / interest expenses from operating, investment and financing
6. Cash basis, calculated by EBITDA / debt expense + interest expense from operating, investment, financing and asset purchase.

5. General Information and Other Key Information



5.1 General Information as at December 31, 2020

The company issuing stocks	Cho Thavee Public Company Limited
The company issuing stocks	Cho Thavee Public Company Limited
Symbol	CHO (registered in The Market for Alternative Investment “mai”)
The company’s registration number	0107556000027
Business	Design, inventing and manufacturing commercial automotive engineering systems including rail technology and defense industry products for example trucks, trailers, buses, catering trucks, trains, fire rescue vehicles, armored vehicle, troop carriers and battle ships.
Authorized Capital (At of December 31, 2020)	588,998,932.50 Baht (Five hundred eighty-eight million nine hundred ninety-eight thousand nine hundred thirty-two Baht and fifty Satang)
Paid-up Capital (At of December 31, 2020)	330,475,259.25 Baht (Three hundred and thirty million, four hundred and seventy-five thousand, two hundred and fifty-nine Baht and twenty five satang.)
Par Value	Common Stock, 0.25 Baht (Twenty-five satang)
Head office and the plant location	265 Moo 4 Klang Muang Road, Muangkhaio, Muang Khon Kaen, Khon Kaen, 40000
Par value Preferred Stock	-None-
Telephone Number	043-043-880-90
Facsimile Number	043-043-899
Location of branch office 1 (Bangkok)	96/25 Vibhawadee Rangsit road, Talad Bangkhen, Laksi district, Bangkok 10210. Telephone No. 0-2973-4382-4 Fax No. 0-2973-4385
Location of branch office 2 (Chonburi)	66/5 Moo 2, Tambol Pong, Amphor Banglamung, Chonburi , 20150 Telephone No. 038-227-378 Fax No. 038-227-378
Location of branch office 3 (Phra Nakhon Si Ayutthaya)	62 Moo 2, Tambol Lamsai, Amphor Wangnoi, Phra Nakhon Si Ayutthaya 13170. Telephone No. 035-257-085 Fax No. 035-257-086
Location of branch office 4 (Laem Chabang, Chonburi)	37/30 Moo 1 Tambol Nong Kham, Amphor Si Racha ,Chonburi, 20230 Telephone No. 033-005131 Fax No. 033-005132
Website (URL)	www.cho.co.th

The subsidiary company	1. Cho Thavee Thermotech Co., Ltd.
The company registration number	0405548000302
Business characteristic	Do the business of designing, manufacturing, assembling, and Installing of light-weighted fiberglass fresh box for truck.
Head office and the plant location	265 Moo 4 Klang Muang Road, Muangkhaio, Muang Khon Kaen, Khon Kaen, 40000
Telephone Number	043-043-877-78
Facsimile Number	043-043-879

The subsidiary company	2. Amornrattanakosin Co., Ltd. (ARK)
The company registration number	0105561186808
Business characteristic	Management the Smart Bus Operation
Head office and the plant location	96/25 Vibhawadee Rangsit road, Laksi district, Bangkok 10210
Telephone Number	0-2973-4382-84 / 0-2973-4385

The subsidiary company	KLRT Company Limited (KLRT)
The company registration number	0405560004886
Business characteristic	Transportation, goods transportation and passenger
Head office and the plant location	555/56 Moo 13 Kasikon Thung Sang Rd., Nai Muang, Muang Khon Kaen, Khon Kaen, 40000
Telephone Number	061-8230318

Investor Relation	
Telephone Number	043-043-888 ต่อ 1120
Facsimile Number	043-043-899
Email address	ir@cho.co.th

The registrar of stocks	Thailand Securities Depository Company Limited (“TSD”)
Location of the office	1 st Floor 93 , Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok, 10400
Telephone Number	0-2-009-9999
Facsimile Number	0-2-009-9476
Website (URL)	www.tsd.co.th

Bondholder Representative	Siam Commercial Bank (CHO210A, CHO229A)
Location of the office	9 Ratchadapisek Rd., Jatujak Bangkok 10900 Thailand
Telephone Number	02-544-2923, 02-777-7777
Facsimile Number	02-128-4625

Registrar	TMB Bank Public Company Limited (CHO212A)
Location of the office	2 nd Floor. 3000 Phahonyothin Road,Chom Phon Sub-district,Chatuchak District,Bangkok Province 10900
Telephone Number	0-2-299-2349, 0-2-299-2350
Facsimile Number	0-2-273-7806

The auditor company	KPMG Phoomchai Audit Ltd.
Location of the office	50 th Floor, Empire Tower, 1 South Sat horn Road, Bangkok 10120
Telephone Number	0-2-677-2000
Facsimile Number	0-2-677-2222
Website (URL)	www.kpmg.com/th

5.2 Other Key Information

Projects in the future

The Company has projects in the future coping with the plan to expand the revenues of the Company and the subsidiary company to continue growing in the future as follows:

Project	Capital Investment (estimated figure)	Period
Projects in the future of CHO		
1.) “Sib Lor 24-hour by CHO” Center expansion to 8 Centers around Thailand. (1 service center started its operation at the beginning of 2017)	350 Million Baht	2017-2023
2.) Khon Kaen City Development Project	600 Million Baht	2018-2021
3.) Smart Bus Management Project in Chonburi Area	600 Million Baht	2019-2022
4) Smart Farming Project	84.93 Million Baht	Starting in 2021
5) London Taxi to Electric Vehicle (EV)Development Project	300 Million Baht	Starting in 2022
6) NGV bus to EV bus Development Project	1,000 Million Baht	Starting in 2021
7) Ship-Building Project of 6 Offshore Patrol Vessels (OPV) for the Philippine Navy	Under the process of Memorandum of Understanding (MOU) with Philippines	
8) Collaborative Research and Development Project on Defense Industry Products (DTI-CHO)	Under collaborative research and development	
Project of subsidiary company		
1.) Factory Nearby Bangkok	50.00 Million Baht	2021-2024
2.) Building a Polyurethane foam (PU Foam) manufacturing plant	20.00 Million Baht	2021-2022



Project in the Future of the Company

The company has various projects in the future to support the company’s revenue expansion plan, and subsidiaries to grow continuously in the future as follows

1. Project of One Stop Services Center expansion around Thailand

CHO has a project to invest in One Stop services centers under the name of “SIB LOR 24 hours by CHO”. The company has opened the first branch in Chonburi province, there are 2 more branches at Surat Thani and nearby Suvarnabhumi, Bangkok. The branches are under construction, and it’s expected to be operated in 2020. In 2021, an additional branch will be opened in Surat Thani and 3 more branches in the Northern Region (Chiang Mai), the Lower Northeastern Region (Udon Thani), and the Lower Southern Region (Had Yai). The investment for the branches are approximately 350 million baht. The service centers will provide services in repairing and maintenance for the engines, Body, electrical systems, fully systems. The services at the service centers are initiated from the company’s original services center which opened for business since 2011 and the operating incomes have been satisfying.

2. Khon Kaen City Development Project

The company has conducted bid in 2 projects.

2.1. The project of Khon Kaen City Development owned by Khon Kaen Transit System Company Limited (an Enterprise of 5 Municipalities of Khon Kaen Province): to Design and Build Contract for the Civil Works and Structures as well as Production and Installation of the Light Rail Transit Systems in the category of TRAM and Transit Oriented Development for the project Khon Kaen Smart City (Phase 1) with the period of 3 years or as their planning. The Company has made a bid in the name of CKKM. Joint Venture.

Name	CKKM Joint Venture Agreement	
Contract parties/ Investment ratio	Investment ratio as at the date of submission (December 22, 2017)	
Date of establishment	1. Cho Thavee Public Company Limited :	49%
	2. KhonKaen Cho Thavee (1993) Company Limited : (Taweesaengsakulthai group is the major shareholder with the proportion of 97% shares)	45%
	3. Ktech Building Contractors Co., Ltd. (Ktech Construction PLC. is the major shareholder with the proportion of 99.99% shares)	6%
	4. MCC Overseas Limited	-not invested yet-
	(China Metallurgical Corporation, a Chinese government-owned company, is the shareholder with the proportion of 100% shares) If awarded, the investment ratio will be changed as follows:	
Date of establishment	1. Cho Thavee Public Company Limited	25%
	2. KhonKaen Cho Thavee (1993) Company Limited	23%
	3. Ktech Building Contractors Co., Ltd.	3%
	4. MCC OVERSEAS LIMITED	49%
Date of establishment	December 19, 2017	

2.2. The project of Operation, Maintenance and Services in the Light Rail Transit Systems in the category of TRAM and Transit Oriented Development for the project KhonKaen Smart City (Phase 1) with the period of 30 years, a project management with no right in property and revenue allocation with the project owner. The Company bided in the name of KLRTT Consortium.

Name	KLRTT Consortium	
ที่อยู่	1. KLRT Company Limited A main company responsible for operation and management of the Light Rail Transit Systems with the proportion of 60% of the project value. (CHO invested 49% in KLRT Company Limited) 2. Thep Nakhon KhonKaen Route Company Limited : 40% of the project value (KKTTHolding Company Limited is the major shareholder with the proportion of 96% shares)	
Date of establishment	December 11, 2017	

3. Project of Smart Bus Management

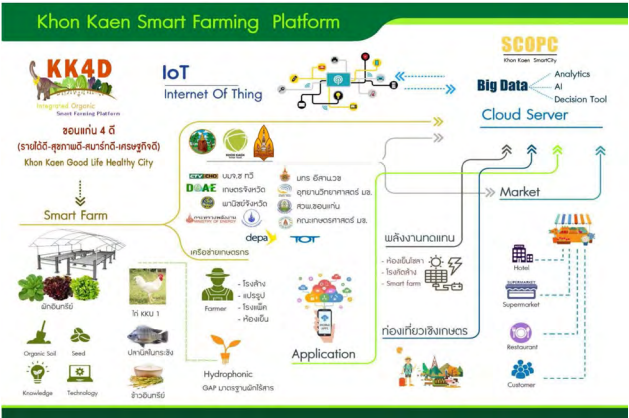
CHO has a plan for investment in the Smart Transit System through Amornrattanakosin Company Limited (ARK) with a proportion of 51% or more than 50%, projected that the capital investment is around 600 million Baht. The ARK has a plan to manage public transportation through current Groups of private company joint bus cooperated with the BMTA (Bangkok Mass Transit Authority) in a modification of the old buses to have a smart bus system, planning to modify all buses within the year 2-4, in total 3 years. There are 3 shareholder groups as follows:

- 1. CHO
- 2. Groups of private company joint bus with the BMTA
- 3. Institutional Investors or Experienced investors to support the potential of ARK

Regarding to the investment, ARK will gain revenue as soon as it make an investment because it is an investment in the existing business operation, and CHO will Direct income volume from the development of smart equipment and maintenance services of the project. It is projected that the project initiation will be in the quarter 3 or 4 of 2021

4. Smart Farming Project

The company has cooperated with Khon Kaen province and related institutes, both in public and private sectors, to develop Smart Farming Project. This project aims to support farmers to become smart farmers, to transform agriculture using technology in the digital age, and to help resolve poverty for farmers who produce organic vegetables in the community enterprise. Accordingly, the company is the manufacturer of the smart farm, and in 2020, the project is in the initial stage of planning the operating system.



5. London Taxi to Electric Vehicle (EV) Development

The company has signed a Memorandum of Understanding (MOU) with Asia Cab Co., Ltd. on January 14, 2021 to develop ASIA CAB Electric Vehicle Prototype. The “Asia Cab” is the owner and manufacturer of London Taxi under the name of CABB Taxi (Thai Taxi) with a vision aiming to develop Thailand’s public transit system in order to meet international standard and be environmentally friendly. The company is contracted to develop London Taxi to convert ICE engine system to plug-in EV (PEV) which will be ready for service in Thailand

in 2022. The company is responsible for researching overseas market to be able to export within 2023, starting with the right-hand-drive countries.



6. NGV bus to EV bus Development Project

The company has a plan of developing NGV Bus from ICE system to plug-in EV, which is currently under the period of prototype testing.

7. Ship-Building Project of 6 Offshore Patrol Vessels (OPV) for the Philippine Navy

The company has signed Memorandum of Understanding (MOU) to develop management system of Ship-building Project of 6 OPVs of the Philippine Navy with the Defense Technology Institute (DTI). The project is aimed to promote the shipbuilding defense industry and various related industries for economy and national security, and to develop industrial area for technology innovation and advanced engineering knowledge, and to cooperatively develop management system of ship-building project in case that Thailand was selected by the Philippine government to be in charge of 6 OPVs project.

8. Collaborative Research and Development Project on Defense Industry Products (DTI-CHO)

The company has cooperated with the Defense Technology Institute (DTI) to collaborate, develop, and promote the activities of the defense industry regarding ammunition that are relevant to the economy and national security.

Future projects of the subsidiary company

- 1. Constructing and expanding of the production factories Project, due to The Company’s subsidiary located within the Company. Although, at the present the production have increased as per the increment of purchase orders, because of the limited of area resulted limited capacity of production. The Company’s subsidiary therefore considered searching the area in Bangkok and surrounding areas for constructing and expanding the factories in other areas in order to promptly response to the customer’s needs.
- 2) Project of building a Polyurethane foam (PU Foam) manufacturing plant As the cost structure development plan of Cho Thavee Thermotech Company Limited (TMT), which is a subsidiary company, there is a plan for investment in a foam manufacturing factory at the first phase valued approximately 20 million Baht from the budget of 30 million baht. Because the foam has a high cost proportion, if TMT could invest in foam manufacturing itself, will cause a decrease of cost, the time and plan of foam usage in production can be controlled as well. Moreover, the foam can be developed to meet various quality to suite TMT’s products. It takes the Just-In-Time production, so the cost can be decreased. The plant expected to be built in the quarter 2/2021, and the foam manufacturing can be run in the quarter 3/2021 onwards.

5.3 Legal Dispute



Cho Thavee Public Company Limited and subsidiaries have been operating their trades through joint venture and/or consortiums. There are ongoing lawsuit and legal dispute that may place negative impact on the company's financial statement or asset for the accounting period as of December 31, 2020 as follows.

(1) Administrative dispute, pending case no. 294/2559 dated February 24, 2016 at Central Administrative Court between

- Plaintiff: JVCC Joint Ventures (between Cho Thavee Public Company Limited and Khonkaen Cho Thavee (1993) Co.,Ltd.) and
- Defendant: Bangkok Mass Transit Authority "BMTA" and partners, 5 individuals in total
- The cause of action arose when BMTA had termination letter for trading and maintenance of 489 NGV aircon buses contract 3/2558. Later, the joint venture had won the bid auction with the ask price of 1,735,550,000 Baht and 2,446.35 million Baht for maintenance cost.
- Request appended to the plaint: there is a request for the court to order the 5 defendants to take jointly or severally compensate for the loss for the amount of 841,519,965 Baht and 121,520,000 CNY with 7.5% annual interest starting after the date of prosecution until the amount has been paid off.
- Progress of the case: The Central Administrative Court had written notification for the final date of investigation, allowing the litigants to submit additional document within July 10, 2020. However, there was no additional document submitted. The next step, the first trial date would be issued and notified by the court (the date that independent judges

give opinions and read it to the case's judge to be used merely as supporting opinions for the trial). However, the notification for the first trial date has not been issued. And after the first trial, there will be following hearing appointment. Currently, there is still no additional progress of the case.

Analysis on the impact of the case

- (1) In the case of the final judgement (Supreme Administrative Court) given the joint ventures to lose the case or the case was dismissed
 - The case in court will be immediately terminated. BMTA may not file a countersuit as there is no loss occurred.
 - All expenses relating to the case proceedings has been recorded as cost of the joint venture. The joint venture is also liable for paying fee and court proceedings fee to Cho Thavee Public Company Limited, for 2.5 million Baht which was paid in advance for the joint venture.
- (2) In the case of the final judgement given in favor of the joint venture
 - The case in court will be immediately terminated.
 - The joint ventures may receive legal remedy for the loss including interest and compensation for the opportunity cost.

(2) Administrative Dispute, pending case no. 1998/2562 dated September 4, 2019 at Central Administrative Court between

- Plaintiff: Cho Thavee Public Company Limited and
 - Defendant: Bangkok Mass Transit Authority "BMTA"
- The cause of action arose when BMTS terminated E-Ticket leasing contract with partners under Consortium Agreement For BMTA E-Ticket Project, consisting of Cho Thavee Public Company Limited, Jump Up Co., Ltd., MOL Payment Co., Ltd., Acentech (Tailand) Co., Ltd, and

Korean Smart Card Co., Ltd. For this, Cho Thavee Public Company Limited is the lead firm in making leasing contract, contract No. Cho. 15/2560, with BMTA allowing the use of E-Ticket and Cash Box for 5 years period. The contract started on the following day after the system on all 2,600 buses has been accepted by the committee with the total value of 1,665,000,000 Baht, vat and other taxes are included. The partners were responsible for installing E-Ticket system on 2,600 buses owned by BTMA, or lessee. According to this, the associates had installed the system and handed over the buses. However, BMTA had avoided and made accuses to accept the work. Later, on March 12, 2019, BMTA issued a notification letter to cancel the contract with the partners. Our company had pointed out to the court to consider the plaint in arguing BMTA's cancellation notification, which was illegitimate termination of the contract. The partners had already developed and installed the card readers. Although there were some problems at the beginning from both the partners and BMTA, the partners were able to resolve the problems and the system was ready to operate. BTMA had admitted that the devices were functional as appeared in the news on BMTA's website, newspapers, and BMTA's letter to Comptroller General's Department which stated that the card readers in 2,600 buses were well functioned. Moreover, BMTA had operated all the installed system since July 1, 2018 to March 13, 2019 as shown in system operating map. In addition, the associates had invited professional technicians from two organizations to test system's function following TOR regulation. The result showed that the system was able to function as stated in TOR regulation.

- Request appended to the plaint: The partners claimed for the occurred loss and the right to receive leasing fee as stated in the contract with the amount of 1,556,074,766.36 Baht plus

7.5% annual interest starting from the day of prosecution until the payment was fully paid off. The partners also requested BMTA to reimburse contract security deposit for amount of 166,500,000 Baht.

- Progress of the case: The court had considered the case and deemed that there was enough evidence to support the case. Therefore, the court took the case on September 25, 2019. Later, on July 21, 2020, the associates had filed conciliation request to the court, and on September 14, 2020, BTMA filed agreement letter to accept the conciliation request to settle the dispute. According to this, the court scheduled 3 conciliations.
 - (1) The first conciliation was on November 12, 2020. On the appointed day, the partners proposed claim for legal remedy, fine, and proceeding on handing over the system to BMTA by following new contract.
 - (2) The second conciliation was on November 25, 2020. The conciliation result included the details of handing over the system by using the new contract. However, both parties had not come to an agreement on their informal negotiation and required more time, so they requested termination to negotiate in the court. The court cancelled the third conciliation appointment on December 16, 2020 and allowed both parties to pursue informal negotiation. If both parties could come to an agreement before the final day of the investigation, both could file new conciliation request. Currently, the case is in the process of informal negotiation and consideration of proposals from both parties. CEO and BMTA are coordinating in negotiation on system and technical matters.

Analysis on the impact of the case

- (1) In the case of the final judgement (Supreme Administrative Court) given the partners to lose the case or the case was dismissed

- For the case in court, BMTA may exercise the right to countersuit and claim for the loss according to the contract. BMTA had issued claim letter to the partners for 107 million Baht, which BMTA had to prove for any loss that occurred. The partners could defend the case in Central Administrative Court and Supreme Administrative Court (which the process would take at least 4-8 years). If the court gave judgement in favor of BMTA in the Supreme Administrative Court, the partners would be liable for payment of the claim, and the payment might be adjusted lower depending on the court's consideration. On the other hand, if the case were dismissed by the Supreme Administrative Court, the case would be terminated immediately.
- All expenses relating to the case proceedings has been recorded as the cost of the company.
- The partners have devices that have not been installed. These devices have been evaluated and certified the quality, and depreciation has not yet occurred. The value of the devices are 346 million Baht. The devices are prepared to be installed for BMTA as stated in the conciliation negotiation in a timely manner. If the negotiation were not successful, the associates would still be able to use the devices with other government and private mass transportation projects. And it is anticipated to gain economic benefits in the future.

- (2) In the case of the final judgement given in favor of the partners
- The case in court will be immediately terminated.
 - The partners may receive legal remedy for the loss with interest, and payment of compensation for the opportunity cost with the amount of 1,556 million Baht, and reimbursement of contract security deposit of 166 million Baht. However, the legal remedy for damages depends on the court's decision.



Corporate Governance

6. Corporate Governance Policy

The Company's Board of Directors concern to the significant of The Principle of Good Corporate Governance for the transparency, able to be audited, and building the investors' confidence. The Company shall regularly disclose the information to the public and to the shareholders. In addition, the Company lends the significant to the controlling system and internal auditing. The Company attempts to control and to manage the risks closely, and concerns to the ethics the business operation.

The company is also monitoring the operation of Good Corporate Governance policy and company's code of conduct, by communication disclosed on the company's website for the acknowledgement of Committee, Executive Committee, all level employees and general parties.

It is for Good Corporate Governance. There is an internal auditor department and audit committee to constantly monitor the operation. As of December 31, 2020, it had no issue which does not comply with the policy above.

The Company has Closely Control and manage risks. And taking into account ethics in business operation by maintaining the fairness to the partners, the shareholders, and the stakeholders, with the details to be classified into 5 sections as follows

Section 1 : Rights of Shareholders

The Company's Board of Directors concern to the significant of the shareholders' rights as equitable, by not doing any action to violate or to deprive the shareholders' rights. The Company also accommodates

the shareholders in using the rights, and determines the directions in building the shareholders' confident for the protection of fundamental rights as follows:

- 1) The Company will inform as regular to the shareholders directly or through the SET systems, about the progress of business operation.
- 2) The arrangement of shareholders' meeting to be held at the place convenience in travelling, and at the proper date and time.
- 3) The Company will send in advanced of not less than 7 or 14 days the invitation letter to attend the meeting to the shareholders, in compliance with the company's regulations and/or designated law. The Company will send together with the invitation letter the supplement information according to the agenda of meeting as sufficient for the consideration. The letter and other documents will prepare in Thai version and English version. The Company also prepares for the opinions of the BOD for the consideration of the shareholders' resolution to each meeting agenda, and the opinions of the audit committee for the significant agenda or as designated by law.
- 4) The Company will announce to the shareholders before starting the meeting, the matters concerning: the rights according to the company's regulation, the handling of the meeting the method in voting and the right in express the opinion including the raise of question. The chairman of the meeting, the board of directors and the director with position related to the special concern has attend the meeting in providing the information and answering the questions. The chairman of BOD or chairman of the meeting will allocate the time as proper by arranging for the shareholders in having the opportunity for asking the questions or express the opinions and the suggestions.
- 5) After the shareholders' meeting has been finished the Company will inform to the SET

immediately prior to the next opening of stock the resolutions of the shareholders' meeting. The Company will prepare the record of every shareholder' meeting with the accuracy and complete content including the detail of the director attending the meeting the detail of the counting of the votes in each agenda, and the questions or major opinions, enable to the examination of the shareholders. The Company will send the documents to the SET within 14 days after the date of shareholders' meeting

Section 2 : Equitable Treatment of Shareholders

The Company lends the significant for equitable treatment of shareholders under the following directions:

- 1) The Company will send the proxy document by proposing at least of 1 audit committee for the shareholders in selecting as proxy to attend the shareholders' meeting and to resolve on behalf of the shareholders in each agenda, in case that the shareholders cannot attend the meeting. This is the treatment in supporting to the shareholders able to define their own resolve directions.
- 2) In case of the shareholders request for the adding of the agenda not less than 3 days prior to the meeting date, and the company considers that such agenda benefited to the Company and the shareholders. The Company has the policy in presenting such agenda to the meeting, and the Company shall inform to the shareholders through the SET about the additional agenda.
- 3) In case that the shareholders request to the Company, three months in advanced prior to the shareholders meeting date, for the proposing of person(s) to hold the position of the Company's director(s), and have sent the supported information about the qualification with letter of agreement from the proposed person(s). The Company has the policy in considering proposing such person(s) qualifying according to

the related laws to hold the position of director(s) in replacement of the director(s) whose term has been expired, and shall be presented in the Annual General Shareholders' Meeting for the consideration of the resolution.

- 4) The Company has its direction in protecting of using the inside information, by defining in the employee's operation manual under part of ethics which has been published to all the employees.
- 5) The Company has its policy and method in protecting the directors and the managements from using of benefits incurred from significant information which affect to the investment. The Company will inform to the SET immediately before the next trading date of stocks about the meeting resolutions. So, the directors and the managements have no opportunities in using inside information for their own benefits. The directors and the managements must also report the holding of shares in each time of buying and selling to the SET within 3 working days.
- 6) Stipulated the duties of directors and the management in the good corporate governance statement, in refraining from trading of Company shares at least a month before the disclosure of financial statements and three days after the disclosure, as well as in reporting to the Board on their shares held every month.
- 7) Define the duties of committees and report to Board of Directors at least 1 day before the deal.

Section 3 : Roles of Stakeholders

The Company respects to the stakeholders' rights, and defines as the treatment in the Company's code of conduct, to ensure that the rights pertaining to any lawful related to the stakeholders in all parties such as: the shareholders the employees the managements the clients the vendors including the socials will be take care by the Company. Furthermore, the Company also builds the

coordination with the stakeholders for the business can be well operated and to return the advantages as fairness to all parties concerned. In order to build the long term accomplishment the Company has its directions to be treated as follows:

- 1) The equitable treatment to the employees, and with the appropriated remunerations.
- 2) The procurement of products and services from the vendors must be complied to the conditions, also with the treatment to the vendors as per the agreement.
- 3) To pay attention and to take responsible to the clients for the quality of products and services.
- 4) The treatment as per the borrowing conditions agreed with the lender of the company.
- 5) The treatment as per the rule of good competition, to avoid the untruthful method in order to destroy the competitors.
- 6) To take responsible to the environment of social and community, and also to support for the activities in community at the proper time and opportunity.

Section 4 : Disclosure of Information and Transparency

Beside to the disclosure as strictly, completely, and on time of financial reports or other information to the public through many channels, the Company shall disclose the following information for the transparency in business operation:

- 1) To disclose the information about the performance of the Company's Board of Directors and the audit committee such as: number of meeting and number of attending the meeting of each director in the past year.
- 2) To disclose the method in the appraisal, and the performance appraisal of the Company's directors.
- 3) To disclose the policy of the remunerations to the Company's directors and the executive managements, including the form

or characteristic of remunerations.

- 4) To report the policy of corporate governance, and performance results as per policy.

The Company discloses this information to the public through the SEC, the SET, and the company's website.

Section 5 : Board Responsibilities

The Company's Board of Directors comprising of those who are professional with the knowledge, the competency, and the experiences from various professions benefited to the Board of Directors, and to the independence in making decision for the ultimate advantages to the Company and the shareholders. The Board of Directors takes part in defining and/or agreeing on the company's vision, missions, strategies, business plans, and budget. The Board of Directors also governs the managements in performing as to the business plans and budget with the efficiency and the effectiveness to the corporation, and the ultimate wealth to the shareholders. The Board of Directors also governs for the evaluation to the suitable of internal controlling, internal auditing, risk management, financial reporting, and the monitor of the performance regularly.

There are 7 directors in the Company's Board of Directors, which comprising of 2 directors from the Company's executive Management and 5 directors which are not from the executive managements. 3 directors are the independent directors, which are over than 1/3 of total directors. In addition, the company has appointed 3 independent directors as the audit committee with the term of 3 years. The Company has determined precisely the scope and authority of the audit committee in the charter of the audit committee.

Remunerations of Directors

The Company has its policy in determining, with the precision and the transparency, the monetary remunerations of the directors, and brought to the annual general shareholders' meeting for the approval. The measures in determining the company directors' remunerations are as follows:

- 1) To be appropriate and corresponded to the scope of responsibility of each director.
- 2) The remunerations are in the level of attractive, capable of maintaining the directors with competency and quality in performing the duties with the company.
- 3) The factors of the remunerations are clear, transparent, and simplified.
- 4) The remunerations are at the rate in equivalent to the directors in the same industry.

Board of Directors Self-Assessment

In order for the increased of the Board of Directors' effectiveness, the Company lets the Board of Directors do the performance self-assessment, by having the directors appraise the performance of the Board of Directors as a whole, and having the directors join in the consideration of performance and problems. The Board of Directors shall analyze and find the conclusion, from the assessment result, in determining the measure in improving the performance effectiveness.

6.1 Corporate Governance of the subsidiary company and the affiliated company



The Company has appointed the person(s) to be the director(s) of the subsidiary company. The Company has determined the regulation in such proposing and voting, and must be approved from the Company's Board of Directors. The person(s) being appointed as director(s) in the subsidiary company perform the duties for the ultimate benefits of the subsidiary company. The transaction concerning the related transaction, the acquisition and the disposal of assets, or other significant transaction, will be under the measure pertaining to the disclosure and the transaction doing as same as the company's measure, including the governance of collecting the information and recording of the subsidiary company accounting in the form as same as of the Company, enable the Company in examining and preparing of consolidated financial

statements on time.

6.2 Governance about the Adoption of Inside Information



As for the governance about the adoption of inside information for the benefits of the managements, the Company has the strict policy in disclosing of the information about the company's action plan, including finance and accounting information. The Company persists strictly to the rules, regulations under the supervision of stock exchange market. The company's human resources are unable to bring inside information disclosed to the outside persons, except for the writing permission.

The finance and accounting information are collected in computerized system. The access of the information shall be for the authorized person(s) only. The Company set the personal password, and not allow for the disclosure of such password. The summary of total information, and audited financial and accounting information, under the responsible of chief officer-finance, will be disclosed, after being examined and agreed by audit committee, to the Board of Directors at the same time or after the Company has informed and disclosed such information to the SET. All of the Company's executive management respect, persist, and perform as per rules, regulations of the SET. It has been found that there was no inside information being used for the benefits of the directors or managements.

The Company has informed to director and managements about the obligation in reporting the owning of securities of their own company, spouse, and child not reaching the legal age, including the disclosure of securities owned to the SEC as per provision 59 and 275 of the securities and stock exchange market act B.E. 2535.

If the Company's directors, managements, or employees violate to the rules and regulations

of the Company, the company will have the punishment as defined in the manual for employees of the Company.

Change in the company's securities holdings of those directors and executive report

The company's directors and Company's Management shall reveal the report of their company's shares holding including their Spouses and immature child holdings of the company's securities. If the person changed the stake of the holdings, he or her shall report to the Securities and Exchange Commission of Thailand (SEC) due to the 59 form within 3 working days since the transaction day, and within 30 days since the person had been elected for the committee or board positions. The company will inform the person 7 days ahead via Electronics sources regard to the company's policy that the person shall not buy or sell the company's stock under 1 month before the declaration of the company's financial statement.



6.3 Code of Business Conduct

CHO has set up the principles of ethics and code of business in 2013 and improved for revised edition in 2016 in order to conduct CHO's business abiding on good codes of conducts, transparency, fairness, accountability, also fairly treats to labor. Internal Audit department conduct auditing on risk in each party according to rules and regulations by the Audit committees' approval and the results will be reported quarterly to the Board of Directors. Moreover, in order to be as a guideline and Good Corporate Governance, CHO determined the policies related to the code of business conduct in the Company Code of Business Conduct manual, for more details please go to the Company's website as follows :



<https://investor.cho.co.th/storage/content/corporate-governance-principle/cho-code-of-conduct-en.pdf>

Receipt of Complaint

CHO has a receipt of complaint policy for all groups of stakeholders by providing a receipt of complaint channel for both internal and external organization’s stakeholders. The report of complaints will be investigated and recorded then passed through an internal auditor in order to report to CHO’s independent audit committees to consider procedures to be undertaken by protecting and maintaining confidentiality of complainant and keeping confidential the name of complainant also prohibiting from disclosing such information

in order to protect the complainant. Accordingly, the audit committees will make a report to the Board of Directors then CHO will consider investigating information relating to the complaint. In case of breach the code of business conduct by stakeholders, trading partners or customers, CHO will take corrective action without any compromise.

The Good Corporate Governance, for more details please go to the Company’s website at



https://investor.cho.co.th/storage/content/corporate-governance-principle/20170822-cho-anti-corruption_policy-en.pdf

Channel of Complaint for all stakeholders

Receipt of Complaint Box	For the convenience, CHO puts this box outstandingly
Letter	Manager of Internal Audit Cho Thavee Public Company Limited 265 Moo 4, Klangmuang Road, Muangkhaio, Mueangkhonkaen, KhonKaen 40000
E-mail	auditcom@cho.co.th
Website	www.cho.co.th
Telephone	043-043880-90 Extension 1235

The company had monitored and reported to all complaints and opinions. In 2020, there was no any complaint.

6.4 Changes and key development

Good Governance Assessment

The company has a result of a very good level for Corporate Governance Report of Thai Listed Companies (CGR) 2020. The report published by Thai Institute of Directors (IOD) which the details of reports 2018-2020 shown as following.



	Level
2020	Excellent
2019	Excellent
2018	Excellent

Remarks ▶ In year 2020, Mr. Suradech Taweesaengsakulthai Director, who has issues regarding corporate governance in matter of the connected transaction, due to the director loan from Cho Thavee Thermoset Co., Ltd. (a subsidiary company) and the independent Director of the company assigned Mr. Suradech to perform the correct operation which Mr. Suradech has been done already. Furthermore, the investigation and Good governance development subcommittee has been appointed by the independent Director to revise the guidelines relevant to the issue.

AGM Assessment

The company has been improving AGM continually with the assessment point of 94 for the AGM Checklist 2020 project held by the Thai Investors Association. The results of 2018-2020 are as follows.

Year	Result (Total 100 points)	
	Point of CHO	Level
2020	94	Excellence
2019	98	Excellence
2018	96	Excellence

Un-accomplishment performances in good corporate governance

In 2020, the company’s had followed the principle of good corporate governance except:

Un accomplishment Tasks	Reason
1. The Directors held more than 25% of the company’s share.	The company’s needs of experienced Management to lead the business succeed
2. The company had not determined the ‘Cumulative Voting’ for the Director election method.	According to the Company Act, It had selected the ‘1 Share : 1 Vote’ method that to the company’s policy compliance.
3. The company had not revealed the compensation of the CEO specifically as it had been included with the board of director report.	The company is a small-sized business and the Information has no impact on the management.
4. The committee chairman did not originate from the independent committee.	The committee chairman must be knowledgeable, has experienced in the company’s products and also can give comments to the Board of Directors and Executive Administrators as well.
5. Having an Independent director on the Boards, who have been a director for more than 9 years (Penalty)	The Board considered that the director has performed his/her duties to comply with the article 89/7 of the Securities and Exchange Act. (B.E.1992), having all the qualifications of independent directors. Since becoming a director, there is no conflict of interests. Decision making was on agenda items in the best interests of the Company and its shareholders. To keep the knowledgeable independent directors with the company, caused the company benefits and saves on the cost of recruiting new independent directors who will suit the company.
6. Thai company is not involved in the anti-corruption actions of Thai private sectors.	The company used to announce its intention for being anti-corruption alliance in 2017 which is expired. The company plans to re-apply for the program.

Preparation of Sustainability Report, 2020

The company has conducted Sustainable Report 2020 in order to report the company’s performance between 1 January – 31 December 2020 by focusing on providing related information that drives business for sustainability according to One Report structure. The report describes the sustainability management policy and goals, stakeholder’s management in business value chain, sustainability management in terms of environment, and sustainability management in terms of social.

Implementation of the Principle of Good Governance for Listed Company in 2020

The Governance Committee, Risk Management Committee, Nomination and Compensation Committee had proposed the principle of Good Governance to the Company Board of Directors’ meeting quarterly for their reviewing of CG Code implementation to suite with the business. In 2020, the committee had reviewed the following topics:

- In Quarter 1/2020, the Company’s Board of Directors meeting no. 7/2020, reviewing on 2 subjects:
 1. Reviewing on good governance for Law and legal issues
 2. Reviewing on risk management operation in the quarter 1/2020
- In the Quarter 2/2020, the Company’s Board of Directors meeting no. 8/2020, reviewing on 2 subjects:
 1. Reviewing on Good Government for the quarter 2/2020
 2. Reviewing on Risk management for the quarter 2/2019

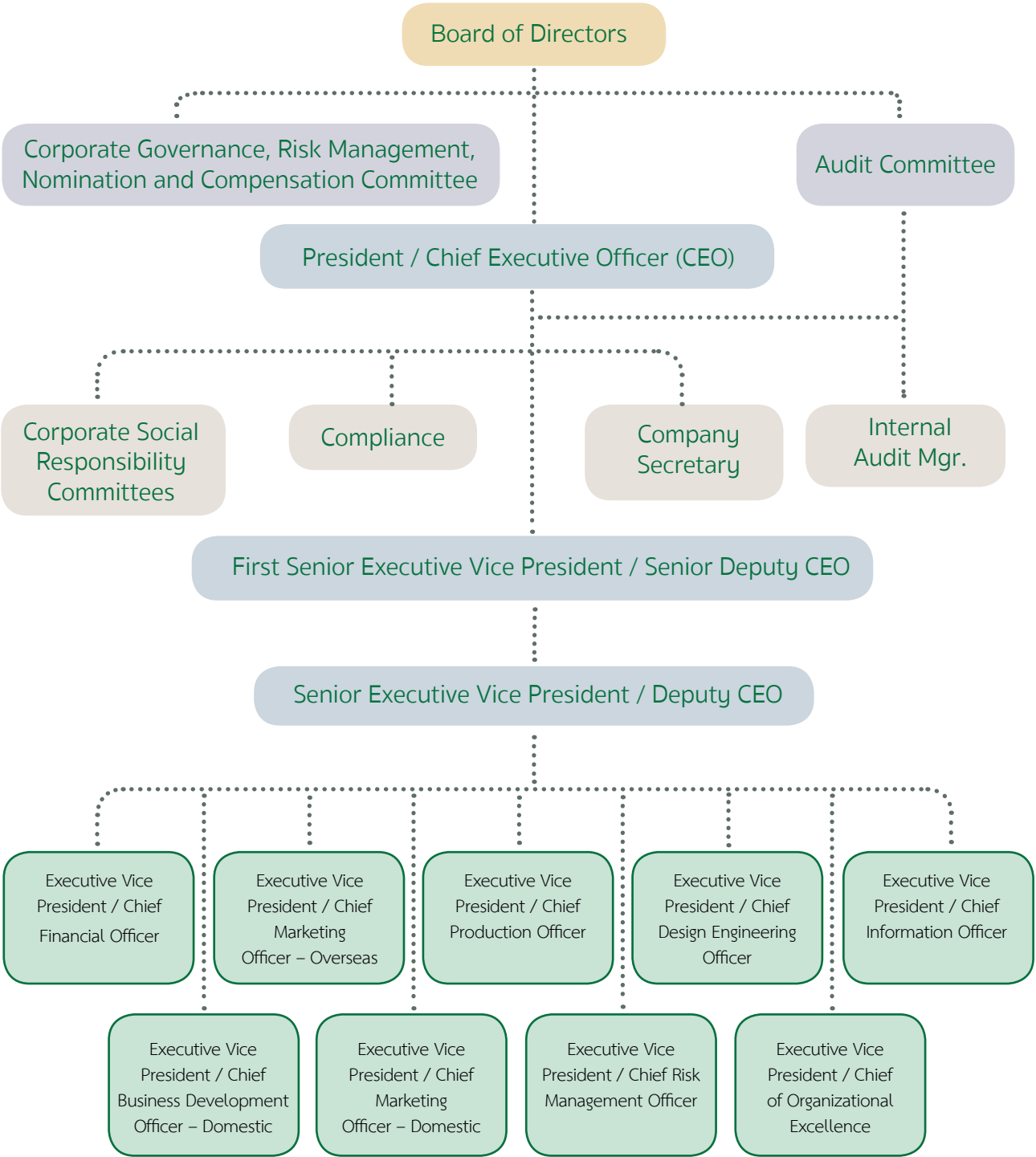
- In Quarter 3/2020, the Company’s Board of Directors meeting no. 12/2020, reviewing on 2 subjects:
 1. Reviewing on Good Government for the quarter 3/2020
 2. Reviewing on Good Government for the quarter 3/2019
- In Quarter 4/2020, the Company’s Board of Directors meeting no. 2/2021, reviewing on business operation for the year 2020, policies for the improvement, risk management, and charters.
 1. Reviewing on the self-assessment form of Chief Executive Officer, the company’s Committee, Audit Committee for the assessment of 2020 performance.
 2. Reviewing on determining remunerations of Chief Executive Officer, the company’s Committee, Sub-committee and Executive Committee for the year 2021.

7.

Corporate Governance structure and Key Information on Board of Directors, Subcommittee, Executives, Employees, and Others

7.1 Corporate Governance structure

The company’s managerial structure as at December 31, 2020, comprises of 5 groups of committees which are: The Board of Directors, The Audit Committee, The Corporate Governance Committee, Risk Management, Nomination and Compensation Committee, The Executive Committee and The CSR Committee with the details as follows:



7.2 Committee



7.2.1 The Board of Directors

As at December 31, 2020, the company has 7 directors comprising of:

Name	Position
1. Ms. Phenphimol Vejvarut	Chairman
2. Mr. Suradech Taweesaengsakulthai	Director
3. Mr. Anusorn Tamajai	Independent Director / Audit Committee Chairman
4. Mr. Chatchawan Triamvicharnkul	Independent Director / Audit Committee
5. Mr. Asa Prateepasen	Independent Director / Audit Committee
6. Ms. Asana Taweesaengsakulthai	Director
7. Mr. Siriwat Taveesaengsakulthai	Director

With Mr. Suradech Taweesaengsakulthai is the Board of Director's secretary

The authorized persons with the signature on behalf of the company: Mr. Suradech Taweesaengsakulthai signs with Ms. Asana Taweesaengsakulthai, and affixed with the company's seal.

The limitation of the directors' authority: none

Scope of duties and responsibilities of Board of Directors

1. To perform the duties complied with law, objective, the company's regulations, and the shareholders' meeting resolution.
2. To consider the approval of business policy,

target, business plans, corporate strategies, and annual report.

3. To consider the appointment of person(s) with the qualifications and characteristics not forbidden to the public company act B.E. 2535, and law pertaining to securities and stock exchange market, including the regulations and/or regulations concerning to the directors in case that the vacancy for the position of directors due to other reason beside the resignation.
4. To consider the appointment of the independent directors and the audit committee, by considering to the forbidden qualification and characteristic of the independent directors and the audit committee: according to the law concerning securities and stock exchange market: including the regulations and/or regulations concerning stock exchange market; or to present to the shareholders' meeting for the consideration of the appointment as the independent directors and the audit committee.
5. To consider the appointment of the executive managements by selecting from management or the directors of the company, including the defining of the scope of authorities and responsibilities of the executive managements.
6. To consider the determining and the correction of list of the authorized directors of the company.
7. To appoint other person in operating the business, under the control of the board of directors, or to delegate the authority to such person and/or in the period that the board of directors consider as appropriated. The board of directors may cancel/ withdraw/ amend or correct such authorization.
8. To consider the approval of the transaction pertains to the acquiring or the disposal of assets, except that such transaction must be approved from the shareholders' meeting. Such approval shall be as per the notice, the regulations and/or regulation concerning.

9. To consider the approval of the related transaction, except that such transaction must be approved from the shareholders' meeting. Such approval shall be per the notice, the regulation and/or regulation concerning.
10. To consider the approval of interim dividend payment to the shareholders based on the view that the company has the appropriated profits to do so, and report the payment of dividend to the shareholders at the next shareholders' meeting.
11. To consider the approval of the company's securities holdings of themselves, their spouses and underage child in every board of directors meeting with and inform to the company in case of
 - They are stakeholders directly or indirectly from the contracts that the Company makes during the fiscal year.
 - They hold shares in the Company
12. To consider the approval of any committees shall remain the committee position in not over 5 companies listed or unlisted in The Stock Exchange of Thailand.
13. Directors must have the awareness of ethics and morality, and act as Good Governance Principles, conducts and policy of anti-corruption as well as to encourage all level employees to do the same. This is for reducing the corruption risk, using power incorrectly and prevention of illegal actions.

The directors or other person with or may have the conflict of interest with the company, are not allowed to vote such matter.

In addition, the following cases must be agreed from the board of directors' meeting, and the shareholders' meeting with the votes of not less than 3/4 of total votes from shareholders who attend the meeting and have the voting right.

- Selling or transferring the whole or partial of the company's business
- The acquisition of the transferring of other firm's business or private firm to be the company's business
- To do, to correct, or to terminate the agreement concerning the letting of the whole or partial of the company's business. To delegate the authority to other person in managing the company's business, or to merge the business with other person with the purpose of profits and loss sharing
- To amend the prospectus or the regulations
- To increase the capitals, to decrease the capitals, to issue the debenture, to merge or to dissolve the company
- The other matter defined under the provision of law concerning securities and/or the provision of the SET, in obtaining the agreement from the shareholders' meeting with the votes as mentioned above, for example: the transaction about the acquisition or the disposal of assets, the related transaction.

Directors' Term

The directors have the term of 3 years in each period, the period of 1 year means time period from the year that directors have been appointed from the shareholders' Shareholders meeting until the next annual meeting. The director, whose term has been expired, may have been proposed as director for another term.

The delegation of the board of directors' authorities and responsibilities is not the delegation of the authorities or responsibilities which enable the directors or the authorized person to approve the transaction with conflict of interest (as defined in the notice from the SEC) for both the Company and the subsidiary company.

7.2.2 Audit Committee

As at December 31, 2020, the company’s audit committee has 3 persons comprising of:

Name	Position
1. Mr. Anusorn Tamajai	Chairman of the audit committee
2. Mr.Chatchawan Triamvicharnkul	The audit committee
3. Mr. Asa Prateepasen	The audit committee

With Mrs. Apsorn Suriya is the secretary to the audit committee

Remarks: The audit committee who has knowledge and experiences in reviewing the reliability of the financial statements, is Mr. Chatchawan Triamvicharnkul, who graduated with a Certificate in Higher Diploma in Auditing (Accounting Examination) Chulalongkorn University, and Bachelor’s degree in Business Administration (Accounting) from Ramkhamhaeng University.

Scope of duties and responsibilities of Audit Committee

1. To review for the Company’s in having the financial reports with the accuracy, complied to general accepted account standard, disclose the adequate and reliable information
2. To review for the Company in having the internal control system and internal audit system with the appropriated and effectiveness
3. To review the Company’s operation in corresponded with public law, securities and stock exchange market law, the regulations of the SET and the SEC, including law concerning the Company’s business
4. To consider the selection, propose the appointment and offer withdrawn for the

- Company’s auditor, to determine the auditor’s compensation, to evaluate the auditor’s performance, to maintain the independence in performing of job for the auditor
5. To review for not having the conflict of interest between related persons
 6. To consider the disclosure, with the accuracy and the completion, of the company’s information concerning the related transactions or transactions which may have conflict of interest
 7. To consider the approval of the charter of the internal audit department, including the approval of audit plan, man power, and annual budget
 8. To consider and to agree on the appointment, the discharging, the transferring, lay off, and to consider the merit, to assign the job, and to maintain the independence to the internal audit department
 9. To perform other duties designated by law, and assigned by the board of directors and agreed by the audit committee such as:
 - To review and to evaluate the appropriate of the Company’s rules and regulations, and to govern the Company in performing according to the regulations and related law including the policy designated by the Board of Directors
 - To review the Company’s policy concerning financial management and risk management
 - To review the executive managements’ performance as per the business ethics
 - To review with the executive managements on the significant reports that have to be presented to public as required by law such as: management’s report and analysis
 10. To prepare report of the audit committee’s corporate governance, signed by chairman

- of the audit committee, by disclosing in the company’s annual report.
11. To consider the information and/or the trace of fraud and/or corruption that has been informed by a person inside and outside the organization according to the clues notification process (Whistle-blower hotline) as well as the Anti-Corruption process.
- The Audit Committee responsible, for the above mentioned duties and responsibilities, directly to the Board of Directors, and the Board of Directors responsible, for the Company’s operation, to the shareholders and the public.
- The tenure of Audit Committee Members**
- The tenure is for three years where the Audit Committee member shall not maintain their membership for three consecutive times since being appointed by the Board of Directors or the shareholder meeting. The 3-year tenure is the period commencing from the AGM date appointing any Audit Committee member to the next AGM date on the following year. Any Audit Committee member, whose membership is expired, shall be proposed for re-nomination as a new Audit Committee member again.
- 7.2.3 Corporate Governance, Risk Management, Nomination and Compensation Committee (CGR Committee)**
- As at December 31, 2020, comprising of 3 Committees as follows:
- | Name | Position |
|-----------------------------------|---------------------------|
| 1. Mr. Chatchawan Triamvicharnkul | Chairman of the committee |
| 2. Mr. Asa Prateepasen | The committee |
| 3. Mr. Siriwat Taveesangsakulthai | The committee |
- With Mr. Apichai Chumsri is the CGR Committee’s secretary

- Scope of duties and responsibilities of Committees**
- 1. Good Corporate Governance and Code of Business Ethics**
- 1.1. To propose Good Corporate Governance policy and a Code of Business Ethics of the Company’s group to the Company’s Board of Directors for approval.
 - 1.2. To monitor and supervise the Company’s group to ensure that Good Corporate Governance policy and Business Ethics specified by the Company are complied.
 - 1.3. To continuously assesse the Good Corporate Governance policy and Code of Business Ethics of the Company’s group to ensure that they comply with international standards and/or recommendations form related government organizations, and propose to the Company’s Board of Directors for approval.
 - 1.4. To evaluate and propose a Code of Best Practices to the Board of Directors and/or other sub-committees in the Company’s group.
 - 1.5. To encourage the dissemination of the Good Corporate Governance culture across the organization and support to the Good Corporate Governance practices.
 - 1.6. To appoint the working team and outline its roles in supporting the monitoring and supervision of Corporate Governance and Business Ethics, as appropriated.
 - 1.7. To perform other duties related to Good Corporate Governance and Business Ethics as assigned by the Board of Directors.
- 2. Risk Management**
- 2.1. To assess and present Risk Management policy and framework to the Company’s Board of Directors for approval.
 - 2.2. To examine and agree on risk appetite (acceptable risk levels), and present to the Company’s Board of Directors.

- 2.3.To continuously monitor development activities and compliance actions according to the policies and Risk Management framework so the Company's group will have Risk Management system that is uniformly effective throughout the organization to ensure that such policies continue to be observed.
- 2.4.To assess risk identification and assessment procedures, report on significant Risk Management activities and enforce procedures to ensure that the Company has sufficient, appropriate and efficient Risk Management system in place.
- 2.5.To coordinate with the audit committee about significant risk factors and having the internal audit unit to review that the Risk Management system of the Company's group is appropriate to the exposure, being adapted as needed and adopted throughout the organization.
- 2.6.To continuously report to the Company's Board of Directors on significant risk and Risk Management solutions, recommend and advising the Sub Risk-Management Committee (SRM) and/or department and/or the relevant working committees about significant risks and Risk Management, as well as evaluate the appropriate means to improve various databases that are related to the development of Risk Management solutions.
- 2.7.To appoint the additional related personnel and/or the management committee as necessary, as well as determine their roles and responsibilities in order to achieve the objectives.
- 2.8.To perform other tasks related to Risk Management as assigned by the Company's Board of Directors.

3. Nomination

- 3.1 To set guidelines and policies in nominating company's Board of Directors and other sub-committee members by considering what would be the appropriate number, structure and composition of members, and outlining necessary directors' qualifications, and proposing for approval by the Company's Board of Directors and/or Shareholders' Meeting as appropriate.
- 3.2.To search, select and propose appropriate persons to hold the position of the Company's Directors whose retiring by rotation and/ or became vacant, and/or newly appointed Directors, and proposing for approval by the Company's Board of Directors and/or Shareholders' Meeting as appropriate.
- 3.3.To perform other duties related to nominations as assigned by the Company's Board of Directors.

4. Remuneration

- 4.1.To prepare guidelines and policies in determining the Company's Board of Directors and other sub-committees' Remuneration, and proposing to the Company's Board of Directors and Shareholders' Meeting for approval.
- 4.2.To determine necessary and appropriate monetary and non-monetary Remuneration, for individual members of the Company's Board of Directors in each year by taking into consideration each Directors' duties and responsibilities, performance, and comparisons against similar businesses including the benefits expected in return from each Directors, and proposing to the Company's Board of Directors and to the Shareholders' Meeting for approval.
- 4.3.To evaluate the annual performance of the President and Chairman Management for considering approval the Remuneration

by proposing to the Company's Board of Directors. However, the committees whose are Executive committees shall not be part of taking consideration the President and Chairman Management's Remuneration.

- 4.4.To take responsibility supports the Company's Board of Directors and being responsible for explaining and answering any question regarding the Company's Board of Directors, the President and the Chief Executive Officer's Remuneration in the Shareholders' Meeting.

4.5.To report policies and principles, reasons in determining the Remuneration of Directors and management according to the Stock Exchange of Thailand (SET) guideline by disclosing them in the Company's annual information disclosure (56-1) and annual report.

4.6.To perform other duties related to Remuneration as assigned by the Company's Board of Directors.

7.2.4 Executive Board

As at December 31, 2020, the company's executive board has 13 persons comprising of:

Name	Position
1. Mr. Suradech Taweesaengsakulthai	Chairman
2. Ms. Asana Taweesaengsakulthai	The Executive Director
3. Mr. Siriwat Taweesaengsakulthai	The Executive Director
4. Mr. Narong Ongartmaneerut	The Executive Director
5. Mrs. Phanthong Nowa	The Executive Director
6. Mr. Prasobsuk Boonkwan	The Executive Director
7. Mr. Sven Markus Gaber	The Executive Director
8. Mr. Nopparat Sangsawang	The Executive Director
9. Mr. Apichai Chumsri	The Executive Director
10. Mr. Nirut Sumongkol	The Executive Director
11. Mr. Sakarin Unnim	The Executive Director
12. Mr. Chatchai Kantawirut	The Executive Director
13. Mr. Phard Pimrin	The Executive Director

With Mr. Naranuwat Suebkais Acting Executive Secretary the Executive Committee's secretary

Remarks:

- Mr. Nititorn Deeumpai Executive Director / Executive Vice President / Chief Financial Officer vacated since October 31,2020 by resignation.
- At the Board Meeting 11/2563 on October 27, 2020, there was agreement to appoint Mrs. Pantong Nova and it was acknowledged in the 12/2563 Board Meeting on November 11, 2020

to hold position of Executive Director / Assistant Executive director / Chief Financial Officer starting from October 31,2020.

- Mr. Padungdetch Euasookkul Executive Director / Executive Vice President / Chief Business Development Officer (Overseas) vacated since May 1,2020 by employment termination with compensation, due to health problem. There is no replacement for the position as the company want to downsize to adjust to current situation.

- Mr. Bamrung Chinsombat Executive Director / Executive Vice President / Chief Services Officer vacated since September 20, 2020 by retirement.

Scope of duties and responsibilities of Executive Committee

- To prepare and to present the Company's business policies, goals, operational plans, business strategies, and annual budget, for the approval from the Board of Directors
- To arrange an orientation for new committee about the Company's business
- To determine the Company's business plans, the authorities, and budget, for the approval from the Board of Directors
- To control for the effectiveness and obliged to the business condition, the Company's operation corresponded with business policies, goals, operational plans, business strategies, and budget which approved from the Board of Directors
- To consider the approval of the borrowing or the request for credit facility from financial institution, including the payment or the disbursement for transaction as to the Company's normal business such as: the disbursement for investment, and operating expenses as per chart of authorization
- To define the effective organizational structure and management covering: the selection, training, recruiting, and lay off the Company's employees which are the managements or the executive managements. The authorization may be delegated to managing director in signing the employment agreement
- To govern and to approve the Company's operation. The executive committee may appoint or assign any person or persons in performing any matter deem appropriated, and the executive

committee can cancel, amend, or correct such authority

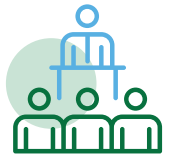
- To perform other duties assigned by the Company's Board of Directors
- To consider the approval of the company's securities holdings of themselves, their spouses and underage child in every board of directors meeting with and inform to the company in case of
 - They are stakeholders directly or indirectly from the contracts that the Company makes during the fiscal year.
 - They hold shares in the Company

The Executive Committee has no right in voting for the transaction which may have conflict of interest, or have interest with the Company or the subsidiary company. The approval of transaction which may have conflict of interest, must comply with the notice from the SET under the subject: basis, procedure, and the disclosure of related transaction B.E. 2546.

7.3 Management

Company's Management

As at December 31, 2020, the Company has 12 Managements comprising of:



Name	Position
1. Mr.Suradech Taweesaengsakulthai	President / Chief Executive Officer
2. Ms. Asana Taweesaengsakulthai	First Senior Executive Vice President / Senior Deputy CEO
3. Mr. Narong Ongartmaneerut	Senior Executive Vice President / Deputy CEO
4. Mrs. Phanthong Nowa	Executive Vice President / Chief Financial Officer
5. Mr. Prasobsuk Boonkwan	Executive Vice President / Chief Business Development Officer – Domestic
6. Mr. Sven Markus Gaber	Executive Vice President / Chief Marketing Officer – Overseas
7. Mr. Sakarin Unnim	Executive Vice President / Chief Marketing Officer – Domestic
8. Mr. Nopparrat Sangsawang	Executive Vice President / Chief Production Officer
9. Mr. Apichai Chumsri	Executive Vice President / Chief Risk Management Officer
10. Mr. Nirut Sumongkol	Executive Vice President / Chief Design Engineering Officer
11. Mr. Chatchai Kantawirut	Executive Vice President / Chief of Organizational Excellence
12. Mr. Phard Pimrin	Executive Vice President / Chief Information Officer

Scope of duties and responsibilities of President and Chief Executive Officer

- To determine and to present to the Board of Directors, the business strategies and plans
- To operate as per the business strategies and plans approved by the Board of Directors
- To present to the Board of Directors for the consideration of the search for the opportunity in operating business related to the Company's business, including new business with the feasible and increasing the company's and the employees' revenues
- To operate and to perform the missions assigned by and under the policy of the Board of Directors
- To order, to issue the regulation/ announcement/ memorandum for the operation to be corresponded with the policy

- To consider the approval of the borrowing or the request for credit facility from financial institution, including the payment or the disbursement of transaction as to Company's normal business such as: the disbursement for investment, and operating expenses as per chart of authorization
- To coordinate with the executive and the employees for the operation according to business policy and direction derived from the Board of Directors
- To govern the employees' operation in accordance with the policy, rules and regulations, including the operation under the principle of good governance
- To promote the development of the employees' knowledge, competency, and potential, for the increase of the organization's potential

10. To consider the Company's operational results, and to present to the Board of Directors in approving the interim dividend payment and annual dividend payment

The above mentioned authorities of President and Chief executive officer are not included to the authority of President and Chief executive officer in approving the transaction with the conflict, the interest, or may have conflict of interest (as per the regulations of the Company and the SEC) with the Company or the subsidiary company.

Summary of General Authorization

Position	approval in getting job/ Bidding (baht/transaction)	approval for investment (baht/transaction)	approval for general expenses/ ² (baht/ transaction)
The Board of Directors	> 1,000,000,000	> 50,000,000	
The executive committee	100,000,001 – 1,000,000,000	< 50,000,000	> 2,000,001
President and Chief Executive Officer	≤ 100,000,000	≤ 20,000,000	≤ 2,000,000
Senior Vice President / Vice President	≤ 10,000,000	- no authorization-	20,000 – 100,000
Chief Officer	≤ 10,000,000	- no authorization-	< 20,000 ^{/1}

Remark ▶ The Company's board of directors meeting No. 12/2020 on November 11, 2020, has approved the above mentioned edited summary of general authorization.

/1 = Chief Officer approves only on the related transaction with the authority owns

/2 = general expenses mean the expenses which are the fixed expenses such as expenses of water, electricity, rental , and expenses that are not related to selling project or production expenses, the expenses with the amount over 2 million baht will be approved by the executive committee.

The Company and its subsidiaries have their own annual budget officially approved by the Executive Committee. Thus, should there be any budget excess , it shall be duly required formal approval from the Executive Committee.

7.4 Corporate Social Responsibility (CSR) Committee

As December 31, 2020, the Company CSR committee comprising of:



Name	Position	Position in CSR Committee
1. Mr.Suradech Taweesaengsakulthai	President and Chief Executive Officer	Chairman
2. Mr.Siriwat Taveesangsakulthai	Executive Director	Committee
3. Mr. Apichai Chumsri	Chief Risk Management Officer	Committee, Consultant to Special Activity Group
4. Mr. Nopparat Sangsawang	Chief Production Officer	Committee, Consultant to Special Activity Group
5. Mr. Prasobsuk Boonkwan	Chief Business Development Officer - Domestic	Committee
6. Mr. Nirut Sumongkol	Chief Design Engineering Officer	Committee, Consultant to Happy Workplace Group
7. Mr. Chatchai Kantawirut	Chief of Organizational Excellence	Committee, Consultant to Environmental Activity Group
8. Mr. Phard Pimrin	Chief Information Officer	Committee
9. Mr. Winyou Ingo	Domestic Sale Manager	Committee, Chair Man of Special Activity Group
10. Mr. Sommai Kaewvisath	Smart City Project Manager	Committee, Chair Man of Environmental Activity Group
11. Mr. Nikom Polsoongnern	Wang Noi Service Center Manager	Committee
12. Mr.Nattaporn Muangjanta	Assistant Manager, Law Department	Committee

CSR Committee Responsibilities

1. To determine CSR activity's policy, plan, budget and code of conduct
2. To consider selecting CSR team for each activity and propose the appointment to the President and Chief Executive Officer
3. To determine CSR strategy and policy for each party
4. To control and follow up CSR's operating results from each party
5. To review and sign on related document of CSR
6. To determine CSR rules and regulations
7. To review CSR results and arrange the criteria of CSR international standards

7.5 Personnel

Number of employees (Not include number of Management)

In the year 2019-2020 the Company has a number of personnel in the designation are as follows.



	Number of employees		
	31 st December 2018	31 st December 2019	31 st December 2020
1. Permanent employee			
Financial and Fund Management department	26	30	17
Domestic Marketing department	21	28	17
Overseas Marketing department	6	9	3
Administration department	242	290	337
Production department	476	418	64
Internal Audit department	3	1	1
2. Temporary employee	-	-	5
Total	774	776	444

7.6 Other Key information

7.6.1 Company's Secretary

The Company's Board of Directors has resolved to appoint Ms. Yinghathai Ponphangnga to be the Company's Secretary. Since June 1, 2011, the Company's Secretary performs the duties of arranging for the meeting of The Board of Directors and The shareholders' meeting including the preparation of the minutes of the Board of Directors' meeting the shareholders' meeting and keeping all the documents legally designated. The Company's secretary appointed by the Board of Directors is the right person with the knowledge and competency in managing the Company's secretarial works. (Requirement for company's secretary is shown in attached document 1)



7.6.2 Investor relations

Investor relations

Miss. Daosawai Jutarteang

Position Head of Investor Relations

E-mail ir@cho.co.th

Post Investor relations

Cho Thavee Public Company Limited

265 Moo 4, Klangmuang Road, Muangkha, Muangkhaen, KhonKaen 40000



7.7 Remunerations of the Company's Directors and Managements



The Company has established a set of will-defined and transparent remuneration policies for directors. The CGR Committee is responsible for reviewing these policies, In 2021 the Company's Board of Directors reached a consensus on proposing to the Meeting to consider approving the 2021 Company's remuneration of directors, Audit Committee, Corporate Governance, Risk Management, Nomination and Remuneration Committee at the same amount as 2020 ,Including medical care expenses to propose the agenda to the Shareholder's Meeting for approval.

On October 21, 2020, the Annual General Meeting of shareholders has resolved in approving the remunerations to the Company's committee as follows:

7.7.1 Monetary Remunerations

A) The remunerations for the Company's directors and the audit committee

The meeting remuneration of not over than THB 1.7 million comprising of:

Chairperson and Audit Committee Chairman	THB 12,500 / meeting
Director and Audit Committee	THB 10,000 / meeting

The committee monthly remuneration :

The monthly remuneration for the audit committee, monthly remuneration only audit committees as follows :

Audit Committee Chairman	THB 12,500 / month/person
Audit Committee	THB 10,000 /month/person

	Monthly Remuneration (THB/Person) in 2020
Board of Directors	-none-
Audit Committee	390,000
Corporate Governance, Risk Management, Nomination and Compensation Committee	-none-

The annually remuneration (bonus) Bonus for the company's directors for the year 2020 not over than 4 million baht, the chairman of the company is authorized in determining the allocation of bonus to each director. In the 2020, there was no payment.

b) Remunerations for the sub-committee and the Corporate Governance, Risk Management, Nomination and Compensation Committees

Meeting remuneration: (excluding the one who is in the position of executive management)

Chairman of the sub-committee	THB 10,000 /meeting
Member of the sub-committee	THB 8,000 /meeting

Summary of the remunerations for the directors in 2019-2020

List of the director	2019					2020				
	The company's Director	Audit Committee	The CGR. Committee	The Director's Bonus	Total	The company's Director	Audit Committee	The CGR. Committee	The Director's Bonus	Total
1. Ms. Phenphimol Vejvarut	75,000	--	--	--	75,000	37,500	--	--	--	37,500
2. Mr. Suradech Taweesaengsakulthai	60,000	--	--	--	60,000	55,000	--	--	--	55,000
3. Mr. Anusorn Tamajai	70,000	125,000	--	--	195,000	55,000	93,750	--	--	148,750
4. Mr. Chatchawan Triamvicharnkul	70,000	100,000	50,000	--	220,000	65,000	75,000	40,000	--	180,000
5. Mr. Asa Prateepasen	70,000	100,000	40,000	--	210,000	65,000	75,000	28,000	--	168,000
6. Ms. Asana Taweesaengsakulthai	70,000	--	--	--	70,000	60,000	--	--	--	60,000
7. Mr. Siriwat Taweesaengsakulthai	50,000	--	40,000	--	90,000	55,000	--	20,000	--	75,000

- Remark**
- In 2020 ,No Directors has recieved monetary remunerations as position of Subsidiary company's Directors
 - There was a resolution of the Board Meeting No. 7/2563 on May 12, 2020 to approve reduction of monthly remuneration and meeting remuneration of independent directors, the company's Director, and sub-committee by 50% for 6 years starting from June 2020 to November 2020. And on February 27, 2020, Ms. Phenphimol Vejvarut, the company' Director, wished not to receive meeting remuneration for 1 year starting from May 12, 2020 to May 11, 2021, which the total amount of Directors' remuneration for 2020 was 1,043,000 Baht (one million forty three thousand Baht)

Summary of Audit Committees' remuneration paid by the company in 2020

Names	Year 2020
	Meeting remuneration
1. Mr. Chatchawan Triamvicharnkul	5,000
2. Mr. Preecha Boonyakida	5,000
3. Mr. Marat Sae-lim	5,000

- Remarks**
- At the Board Meeting 9/2563 on September 15, 2020, there was an agreement to appoint Audit Subcommittee for inspection and development of corporate governance ("the Subcommittee"). The Subcommittee consisted of outsiders who have expertise in law, accounting, and corporate governance to inspect relative transactions and to assure stakeholders. The Subcommittee must report result of inspection to Audit Committee.

c) The remunerations for the executive managements

The remunerations for the executive managements are in the form of salary, bonus, and other welfare and fringe benefits such as: the provident funds, the savings in the cooperative, the benefits from the resignation (excluding the meeting remunerations for Directors) details as follows:

Remuneration for the Executive	2018		2019		2020	
	persons	million baht	persons	million baht	persons	million baht
Salary	14	15.92	15 ^{/1}	19.08	12	12.46
Bonus	14	1.08	15 ^{/1}	0	12	0
Welfare and fringe benefits (the provident funds, the savings in the cooperative, the benefits from The resignation)	14	1.11	15 ^{/1}	1.51	12	1.22
Total	14	18.11	15 ^{/1}	20.59	12	13.68

- Remark**
- In 2020 ,No Executive has recieved remunerations from Subsidiary company
 - /1 = Ms. Somnuk Sangin The Executive Director/Vice President has vacated a position due to resign from the comapny on May 1,2019
 - /2 = During 2020, there was vacation of 3 Executive Directors and appointment of a new Executive Director. Consequently, there were 12 Executive Directors as of December 31, 2020

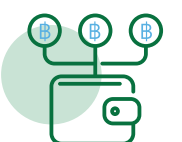
7.7.2 Other Remunerations

(A) Other Remuneration Committee

- Risk insurance for the Managements: not exceed 50 million Baht

(B) Other Remuneration of Sub - Committee

- None -



(C) Other Remuneration of executive

- The provident fund: The Company has established provident fund on November 26,2012, the Company has joined ratio 2.00% of Salary in 2020, the company has contributed funds for the management 12 person totaling THB 0.00 due to the Executive officer is the Saving Cooperative member.
- Contribution Saving : The Company has provided the cooperative’s assets for employees since 2004, The Company contributed for each payroll in the ratio of 0.10% In 2020 the Company has contributed Saving for executives, totaling 12 persons amounts of THB 52,800 (data shown in the table, executive compensation).
- Non-Monetary Remunerations for the Chief Executive Officer is a car allowance including a driver.

7.7.3 Total remunerations for the company’s employees, and type of remuneration

Remunerations for permanent employees	2018	2019	2020
Salary, bonus, TO, commissions/1, provident fund.	174.98	225.69	146.52
Total	174.98	225.69	146.52

Remark ▶ /1 = The Company has its regulation in paying commissions to all Sales of sales department, the basis in computation based on the agreement with the company. The Company pays for the commissions in the salary account at the end of each month.

Employee Compensations and Benefits

The company has provided employee compensations and benefits more than the labor legislation according to Thailand social and economy in present such as bonus, commission, provident fund, medical benefit, disabled welfare, uniforms, social welfare, infirmary, non-interest loan, free rice for lunch and 100% add up saving and credit cooperatives.

7.7.4 Human resources development

The company has the policy concerning the development of human resources as continuous, by focusing on the promoting and giving the knowledge for the development of capability. The Company provides the internal training, and sends its employees in attending the training course with the governmental and private sector. The Company also provides the learning by doing to its employees under the supervision and the advice from the supervisor. The Company has the policy of job rotation for the personnel in each project, in order for the employees in having various and broaden skillful and experiences.

New Committees Orientation

The company assigned new committees to attain the orientation comprising of the presentation of business characteristic, business details, business operation and regulation. The new committees will be given a handbook and documents concerning committee duties: Code of Business Conduct, Regulation, Annual Report, Working Handbook, Anti-corruption Policy and handbooks related to committees’ duties.

The company committee and executive committee training

The company has supported trainings for the committee and executive director to participate beneficialtraining program for improvement of their knowledge, understanding of good governance principles, code of conduct, regulations, as well as role and duties of the committee in order to the effective management with ethics. Also, the committee and executive director can always meet and share ideas with various companies’ committee and executive director. The fundamental training program for the committee are the program held by the Thai Institute of Directors (IOD) including: Directors Certification Program (DCP), or Directors Accreditation Program (DAP), or Audit Committee Program (ACP). In 2020, the committees had participated in the training program held by the Thai Institute of Directors (IOD) including: Directors Certification Program (DCP), or Directors

Accreditation Program (DAP), or Audit Committee Program (ACP), and other specific program from many institutes in order to bring knowledge and experience to develop the company. In 2020, the committee has participated in training program held by the Thai Institute of Directors (IOD), Stock Exchange of Thailand and other institutes as follows.

Committee / Executive Director	Training Program in 2020	Institute Name
1. Mrs. Phanthong Nowa (Executive Officer)	E-learning CFO’s Orientation Course (Thai Version)	Stock Exchange of Thailand
	E-payment law, rules and procedures for preparing e-Tax invoice & e-Receipt, e-Withholding tax, e-Filing	Department of Business Development
	Legitimate Professional Accounting Practitioners No. 4/2020 on Accounting and Auditing during COVID-19 Situation	Department of Business Development
2. Mr. Sakarin Unnim (Executive Officer)	Seminar on actions plan of Aerospace industry in Thailand	Civil Aviation Authority of Thailand
3. Mr. Apichai Chumsri (Executive Officer)	Online Training, Digital Government & Smart City for Resilience	International Telecommunication Union & National Information Society Agency (NIA) Jeju Island, Republic of Korea”
4. Mr. Chatchai Kantawirut (Executive Officer)	Online Training, Digital Government & Smart City for Resilience	International Telecommunication Union & National Information Society Agency (NIA) Jeju Island, Republic of Korea”
5. Mr.Phard Pimrin (Executive Officer)	Analytic and Big data for Entrepreneur / Startup	Maharakham University

The participants are 5 persons of total 17 persons. (Committee and Executive Director) The Company is also responsible for IOD registration for benefit on information and knowledge receiving.

(Hours: people)

Average of in-house/external training hours (per person, per year)	2018	2019	2020
Senior manager Executive Management	31.17	28.50	18.50
Department manager	25.23	27.30	16.90
Staff	9.23	17.08	10.22
Total	65.63	72.88	45.62

Furthermore, the company lends the significant to the building of morale and motivation in the company's human resources. The expense of in-house/external training totaling 0.16 million Baht. The Company has continuously improved the employees' welfare in the proper way. The last 3 years training expenses are showed on the table below.

(unit : million baht)

Remunerations for permanent employees	2018	2019	2020
External/in-house training expenses	4.38	0.89	0.16
Total	4.38	0.89	0.16

7.8 Auditor Fee

1. Audit Revue Fee and Audit Fee

The Company and its subsidiary have made the payment of audit fee for PricewaterhouseCoopers ABAS Limited in 2018 and KPMG Phoomchai Audit Limited in 2019-2020 as follows:

(Unit : Baht)

	2018	2019	2020
1. Annual audit fee			
1.1. CHO and consolidated financial statements	1,650,000	2,000,000	2,150,000
1.2. CTV-TMT	650,000	650,000	680,000
1.3. ARK	-	50,000	60,000
2. Fee for reviewing interim financial statements			
2.1. CHO and consolidated financial statements	750,000	600,000	670,000
2.2. CTV-TMT	0	0	0
Grand total	3,050,000	3,300,000	3,560,000
Total for CHO	2,400,000	2,600,000	2,820,000

Remark ▶ Amornrattanakosin Company Limited "ARK" (a subsidiary company) has established on October 30, 2018 do not have annual audit fee in 2018.

2. Non Audit Fee

92,500 Baht



8. Corporate Governance Report

The Company shall arrange for the Board of Directors meeting and additional special meeting complied with the Company's regulations legal concerns to the public company and rules and regulations of the SET. The Chairman of the BOD acts as chairman of the meeting shall promote for the using of careful judgment and allocate the appropriated time for the meeting enable for the managements in proposing of the matters and the careful discussion of major problem. It is defined that the company shall arrange meeting at least once a month and as necessary with the minutes specified in advance, then the Company will send to the board of directors in advanced of 7 days prior to the meeting date the invitation letter together with the agenda and other supporting documents. The company has specified the minimum quorum for each meeting, which the committees should participate the meeting at least two third (or 75%) of the total participants, except in cases of necessity, In addition the Company shall prepare the precise and complete minutes of meeting enable for the examination by the shareholders.

Board of Directors Report

- The Board of Directors responsible for the preparing of financial reports which include the Company's financial report, the consolidated financial report of the Company and its subsidiary, and financial information appeared

in the annual report. The financial reports have been prepared in accordance with general accepted accounting standard in Thailand, by the adoption of accounting policy as appropriated, accepted, and frequently treated, including the careful adoption of judgment in preparing and disclosure of significant information as appropriated in the remark to the financial statements.

- The director, the executive committee and managements have been assigned to report their interest and involved person's interest when starting their positions and when the data changes, as well as the report of changing should be submitted annually. According to the rules and regulations for reporting conflicts of interest of the director and management set by the committee. In 2020, the director, the executive committee and managements have been assigned to hand in a report of interest to the company secretary. The report will be summarized and submitted to the audit committee and the board of directors. This issue has been proposed to the board of directors in the meeting 2/2021 dated 24 February, 2021.

8.1 Recruitment and Appointment of Directors and Executive Managements



The selection of person to be appointed as director or management, the Company will assign the Corporate Governance, Risk Management, Nomination and Compensation Committee which considered appointing from the Board of Director No. 6/2014 on December 21, 2014, to do so. The Company's directors or managements shall be gender equality, comply with the law and the company's rule, be faithful and secure the company's benefit with the completely qualifications as per article 68 of the public company act B.E. 2535, and notice No. Tor Jor 28/2551 from the Capital Market Supervision Commission subject: the request for permission and permission of the initial public offering (IPO) dated 15th December 2008; and must not be the person with the qualifications forbidden as per notice from the SEC subject: the regulation concerning the management of the Company issuing stocks. The Company's directors and managements must not have the history of illegal concern in ten years retrospective prior to the date of request for permission, and have never been convicted as the insolvent person, not being the person violating the regulations, notice, order, the resolution of directors, or the agreement of securities registration with the SET or the SET circulation letter, including the dispute or the prosecution waiting for the judgment.

Factors and Recruitment of Board of Director

1. The Company's Board of Directors comprises of at least 5 persons, with half of the Directors must have the residence in the kingdom. The Directors must be the person with the qualification required by law
2. The shareholders' meeting shall elect the company's directors under the basis and procedures as follows:

- 2.1. Each shareholder has 1 share per 1 vote
- 2.2. Each shareholder shall use the vote referred in 2.1 in the election of one person or persons to be director(s). In case of many persons have been elected, the votes cannot be shared to any one as much or less
- 2.3. The person(s) with ranking at the highest shall be elected as director(s) equal to the number of director(s) should have at the time of the election. In case that the person(s) with the rank next to the highest rank, has (have) the equal votes exceeding the number of director(s) should have at the time of the election, chairman of the meeting shall vote as the final decision
3. For each of annual general meeting, one-third of total directors at the time of meeting shall be removed from the position. If the number of director cannot be divided into 3 fractions, the removal of directors will be the closest to one-third. The remove director(s) may be re-elected. In the first year and the second year after the registration of the Company, the director(s) shall draw the lots for the removal. In the later year, the removal shall be for the director(s) with the longest term in the position.
4. The Director(s) who would like to resign shall submit the resignation letter to the Company. And the resignation will be effective on the date of receiving the resignation letter by the Company
5. The shareholders' meeting may have the resolution to remove any director from the position prior to the term removal, with the votes of not less than $\frac{3}{4}$ of total shareholders attending the meeting and have the right to vote, and with the total shares of not less than half of total shares held by the shareholders who attend the meeting and have the right to vote.
6. In case of the position of director is vacant,

caused by other reason beside to the resignation in the term, the board of directors shall select the person; with the qualification and without the characteristic forbidden as per the public company law or law pertaining to the securities and stock exchange market; to be the replaced director(s) at the next meeting of the board, except for the term of such director(s) left less than 2 months. The person(s) selected as the replaced director(s) shall be in the position in equivalent to the term left of the removed director(s). The Board of Directors resolution in appointing the person(s) to be director (s) must have the vote of not less than $\frac{3}{4}$ of total existing directors.

7. The Directors may or may not be the Company's shareholders
8. The board of directors shall select one director to be the chairman. The Board of Directors shall select, in case of the appropriated consideration, one director or many directors as vice chairman and managing director. The vice chairman has the duties assigned by chairman according to the regulations of the Company.

Factors and Recruitment of Audit Committee

1. The audit committee comprises of at least 3 independent directors. The Board of Directors shall select one of the audit committee to be chairman of audit committee.
2. Each of the audit committee must have the knowledge, competency, experiences, and expertise as appropriated to the missions assigned by the board of directors, including the knowledge and competency in the matter related to the performance of audit committee.
3. At least one of the audit committee must have knowledge and understanding or experiences in field of accounting or finance.
4. The audit committee appoints at least 1 secretary to the audit committee, to perform the duties concerning the preparation of

meeting agenda information, recording the minutes of meeting, the preparation of activities report, and other tasks assigned by the audit committee.

Qualifications of Independent Directors (Equivalent to the regulations of the SEC)

1. Hold the shares of not exceeding 1% of total shares with the voting right of the Company, the parent company, the subsidiary company, the affiliated company, major shareholders, or those who have the control power in the Company. The shares of the related person to the independent director will be counted.
2. The independent director must not be or never be the director taking part in managing, the employee, the consultant who has salary, or has the control power in the Company, the parent company, the affiliated company, the subsidiary company at same level, major shareholders, or those who have the control power in the company. Except that such independent director has left from the above mentioned characteristic of not less than 2 years before submitting the request for permission to the SEC or on the appointing date. The above mentioned forbidden is not included the case that the independent director used to be the government officer or the consultant to the government organization which is the major shareholders or those who have the control power in the Company.
3. The independent director must not be the person with the relationship as blood lineage, or the legally registration as parents, spouse, brother/sister, and child, including child's spouse of the managements, major shareholders, the person with the control power, or the person to be proposed as the managements, or the person with the control power in the company or the subsidiary company.
4. The independent director must not have or used to have the business relationship

with the Company, the parent company, the subsidiary company, the affiliated company, major shareholders, or the person who has the control power in the company, in the way that might obstruct to the adoption of independent judgment of the independent director or date of appointment.

5. The independent director must not be or used to be the advisor of the Company, the parent company, the subsidiary company, the affiliated company, major shareholders, or the person with the control power of the company, and must not be the shareholders in significant, the person with the control power, or partner of audit firm in which the auditor of the company, the parent company, the subsidiary company, the affiliated company, major shareholders, or the person with control power of the company attributed, except for the removal of not less than 2 years after the date of submitting for permission to the SEC or on the appointing date.
6. The independent director must not be or used to be the service provider of profession which includes legal advisor or financial consultant who receives service fee of more than 2 million baht/year from the Company, the parent company, the subsidiary company, the affiliated company, major shareholders, or the person with the control power, and not be the shareholders in significant, the person with the control power, or partner of the service provider of profession, except for the removal of not less than 2 years before the date of submitting for permission to the SEC or on the appointing date.
7. The independent director must not be the director appointed to be the representative of the Company's directors, major shareholders, or the shareholders with the relationship with major shareholders.
8. The independent director must not operate the business with the same condition and

compete as significant with the business of the Company or the subsidiary company, or must not be partner as significant in partnership company, or must not be the director taking part in managing, the employee, the advisor receiving salary, or hold the shares more than 1% of total shares with voting right of other Company operating business with the same condition and compete in significant with the company or the subsidiary company.

9. There not be other characteristic that has the impact to the disability of the independent director to independently express the opinion concerning the company's operation.
10. The independent director with the above mentioned qualifications, may has been assigned from the board of directors in making the decision about the operation of the Company, the parent company, the affiliated company, the subsidiary company at the same level, major shareholders, or the person with the control power, the decision may be in the form of collective decision.

Qualifications of Audit Committee

The Company's audit committee must be the independent director of the Company, with the complete qualifications and not being the forbidden person as to the public company law and law pertaining to securities and stock exchange market, and other law related to company's business.

1. To be the director without taking part in managing, and not being the employee or the advisor having salary with the Company, the subsidiary company, the affiliated company, the related company, or the major shareholders of the company.
2. To be the director without the business or interests as direct or indirect in financial aspect and financial management in the company, the

subsidiary company, the affiliated company, or the major shareholders of the company.

3. To be the director not being the related person or the closed cousin of the executive managements or major shareholders of the company.
4. To be the director without any appointment as representative in protecting business of the company's directors, major shareholders, or the shareholders with the relationship with major shareholders of the company.
5. To hold shares of not exceeding 1% of paid-up capitals of the company, the subsidiary company, the affiliated company, the related company. This includes the counting of shares held by the related persons (including the persons) with relationship by blood lineage, by the marriage, and by legal registration such as father, mother, spouse, child)
6. To be able to perform the duties, express the opinion or to report the performance as to the tasks assigned by the company's board of directors, not being under the control of the executive managements or major shareholders of the Company including the related person(s) (including the person(s) with the relationship with the company that affect to the ability in performing the duties independently or fluently such as: the clients, the creditors, the debtors, or the person(s) with the significant relationship to the Company's business) or the closed cousin of such person(s).
7. The audit committee must have the independence and able to express the opinion or to report freely as to the missions assigned, without concerning to any benefit relating to assets or position, and not being under the influence of any person or group of person, including of none situation obstructed audit committee in expressing opinion as it should be.
8. To devote with adequate time for the operation, and have the intention to enhance knowledge concerning the company's operation

in continuous for the effectiveness.

9. The Audit Committee with the above mentioned qualifications is served a maximum of 9 years in the position

Factor and Qualification of Corporate Governance, Risk Management, Nomination and Compensation Committees (CGR Committee)

1. CGR Committee is to be appointed by the Company's Board of Directors and has to comprise of at least 3 persons, more than one-half of the total number of The Committee must be independent directors and less than one-half of the total number of The Committee must be being the Company's President and Chief Executives Officer.
2. CGR Committee Chairman must be independent director appointed by The Committee's Meeting.
3. CGR Committee considers appointing The Committee's secretary of at least 1 person in order to operate the meeting items, meeting agenda, minutes meeting and others as assigned by The Committee.

Factor and Nomination of Executive Committee

The executive committee comprises of the Company's executive managements, the following positions are the company's executive committee:

- (1) President and Chief executive officer
- (2) Senior Vice Presidents
- (3) Vice Presidents
- (4) Chief officers

The executive committee can propose, in the meeting, the appropriated person to be executive committee in additional, the executive committee has the term in the position for 4 years in each period.

Factor and Recruitment of President and Chief Executive Officer

The executive committee shall propose the executive from the executive committee and present to the Company's Board of Directors in

appointing the proposed executive to be president and chief executive officer with the term in the position for 4 years in each period.



8.2 Meeting Attendance of Board of Directors and sub-committee

In 2020, the company had held Board Meetings for sub-committee following corporate governance, the details are as follow.

Statistical data of the Company's Directors attending the Meeting in 2019-2020

List of directors	2019					2020		
	AGM.	EGM.	The company's Director	Audit Committee	The CGR Committee	The company's Director	Audit Committee	The CGR Committee
1. Ms. Phenphimol Vejvarut	1/1	1/1	6/7	--	--	11/13	--	--
2. Mr. Suradech Taweesaengsakulthai	1/1	1/1	6/7	--	--	12/13	--	--
3. Mr. Anusorn Tamajai	1/1	1/1	7/7	10/10	--	12/13	12/12	--
4. Mr. Chatchawan Triamvicharnkul	1/1	1/1	7/7	10/10	5/5	13/13	12/12	5/5
5. Mr. Anusorn Tamajai	1/1	1/1	7/7	10/10	5/5	13/13	12/12	5/5
6. Ms. Asana Taweesaengsakulthai	1/1	1/1	7/7	--	--	12/13	--	--
7. Mr. Siriwat Taveesangsakulthai	1/1	1/1	5/7	--	5/5	12/13	--	4/5

Remark ▶ in 2020, the extraordinary meeting was not held by the company.

In 2020, there were 13 of the Company's Board of Directors Meeting, details of attending the Meeting as follows:

List of the directors	Number of attending/Number of the meeting
1. Ms. Phenphimol Vejvarut	11/13
2. Mr. Suradech Taweesaengsakulthai	12/13
3. Mr. Anusorn Tamajai	12/13
4. Mr. Chatchawan Triamvicharnkul	13/13
5. Mr. Asa Prateepasen	13/13
6. Ms. Asana Taweesaengsakulthai	12/13
7. Mr. Siriwat Taveesangsakulthai	12/13

Statistical data of Audit Committee attending the meeting in 2020

In 2020, there were 12 of the Audit Committee's Meeting, details of attending the Meeting as follows:

List of the directors	Number of attending/Number of the meeting
1. Mr. Anusorn Tamajai	12/12
2. Mr. Chatchawan Triamvicharnkul	12/12
3. Mr. Asa Prateepasen	12/12

Remark ▶ In 2020, there were 4 times of the independent meeting between Audit Committee and KPMG Phoomchai Audit Limited

Statistical data of Corporate Governance, Risk Management, Nomination and Compensation (CGR) Committee attending the meeting in 2020

In 2020, there were 5 of the CGR Committee's Meeting, details of attending the Meeting as follows:

List of the directors	Number of attending/Number of the meeting
1. Mr. Chatchawan Triamvicharnkul	5/5
2. Mr. Asa Prateepasen	5/5
3. Mr. Siriwat Taveesangsakulthai	4/5

Statistical Data of Subcommittee's Meeting Attendance Last Year

In 2020, there was 1 Audit Subcommittee's Meeting, the details are as follows.

List of the directors	Number of attending/Number of the meeting
1. Mr. Chatchawan Triamvicharnkul	1/1
2. Mr. Preecha Boonyakida	1/1
3. Mr. Marat Sae-lim	1/1

Remark ▶ At the 9/2563 Board Meeting on September 15, 2020, there was an agreement to appoint Audit Subcommittee for inspection and development of corporate governance ("the Subcommittee"). (Audit Committee 1 person, 1 major shareholder and 1 external expert) The Subcommittee consisted of outsiders who have expertise in law, accounting, and corporate governance to inspect relative transactions and to assure stakeholders. The Subcommittee must report result of inspection to the Audit Committee.

Statistical data of Executive Committee attending the meeting in 2020

In 2020, there were 13 of the Executive Committee’s Meeting, details of attending the Meeting as follows:

List of the directors	Number of attending/Number of the meeting
1. Mr.Suradech Taweesaengsakulthai	2/13
2. Ms. Asana Taweesangsakulthai	4/13
3. Mr. Siriwat Taveesangskulthai	5/13
4. Mr. Narong Ongartmaneerut	13/13
5. Mrs. Phanthong Nowa	2/13
6. Mr. Prasobsuk Boonkwan	10/13
7. Mr.Sven Markus Gaber	13/13
8. Mr. Nopparat Sangsawang	13/13
9. Mr. Apichai Chumsri	13/13
10. Mr. Nirut Sumongkol	13/13
11. Mr. Sakarin Unnim	12/13
12. Mr. Chatchai Kantawirut	13/13
13. Mr. Phard Pimrin	13/13

Remark

- Mr. Suradech Taweesaengsakulthai participated 2 of 13 meeting as he were on urgent duty
- Ms. Asana Taweesangsakulthai participated 4 of 13 meeting as he were on duty
- Mr. Siriwat Taveesangsakulthai participated 5 of 13 meeting as he were on duty
- Mrs. Phanthong Nowa, Executive Director, was appointed on October 31, 2020, so there were 2 (out of 2) meeting attendance as a director.
- Mr. Nititorn Deeumpai, Executive Director, vacated since October 31, 2020 by resignation during 2020, with the total number of 8 (out of 11) meeting attendance.
- Mr. Padungdetch Euasookkul, Executive Director, vacated since May 1, 2020 by employment termination with compensation due to health problem, had participated in 1 (out of 9) meeting.
- Mr. Bamrung Chinsombat, Exucutive Director, vacated since September 20, 2020 by resignation during 2020, had participated in 8 (out of 9) meetings.

8.3 Assessment Procedures of the Committee, Sub-Committee and Chief Executive Officer



In 2020, the management team cooperated with the Corporate Governance, Risk Management, Nomination and Compensation Committee for reviewing rules, procedures, and improving of

operation results to suit the current business characteristic and to comply with the criteria of new CG Code published by the SEC. The CG Code is for an evaluation of the performance of Board of Directors, committees, and Chief Executive Officer, for committees and Chief Executive Officer reviewing the performance, problem, risk, and obstacle during the past years, and for using as a part of

2021 remunerations consideration. There were 3 types of self-assessment including a committee assessment, a self-assessment, and a crossover assessment (assessor assess another Director). The assessment result will be summarized and proposed to the company’s Committee with the management team to set guidelines for an improvement of the performance of Committees, Chief Executive Officer, to update and set guidelines for the development, prevention and reduce the risk that may occur with the organization in the future in order to achieve concrete and to disclosure in the company’s Annual Report.

Assessment Procedures

1. The managements, Corporate Governance, Risk Management, Nomination and Compensation Committee do the assessment together, so the Committee can compare the assessments in each topic, or compare, and evaluate each year result. The meaning of the score shown as follows:
 - 0 = Totally Disagree, or no action on such matter
 - 1 = Disagree, or such matter has been done slightly
 - 2 = Agree, or such matter has been done fairly
 - 3 = Highly Agree, or such matter has been done very well
 - 4 = Totally Agree, or such matter has been done excellently

There is a consideration of topics and contents to suit the company’s current business, and to support the future expansion plans, in accordance with Corporate Governance policies and Good Practices. The assessment results will be used in determining strategies, and used for internal and external operational improvement, as well as the method to evaluate and the assessment process.

- In 2020, there was an assignment of 3 independent directors to evaluate performance of the Chairman and Chief Executives of the company, then proposed to the Broad of Directors for approval.
2. Secretary of the Corporate Governance Committee sends the assessment forms to the Board of Directors, Independent Directors, Audit Committee and Corporate Governance Committee.
 3. The Board of Directors done the assessment and hand in it to the Corporate Governance Committee.
 4. The Independent Committee done the assessment and share comments for the assessment of Chief Executive Officer, then hand in the result to the Secretary of the Corporate Governance Committee.
 5. Secretary of the Corporate Governance Committee sum up the result of the Assessment, and report to the Board of Directors.
 6. Secretary of the Corporate Governance Committee sums up for the assessment analysis and recommend of the Board of Directors to prepare a Strategic Plan and to improve the operation.

8.4 Assessment of Overall Board of Directors



In 1/2021 Board Meeting on January 20, 2021on Corporate Governance, Risk Management, Nomination and Remuneration Committees agenda, the Committee had considered and come to unanimous agreement to approve all 3 assessments of Board of Directors. All Committee have been acknowledged, and performance assessment and committee’s self-assessment for 2020 were conducted with 6 assessment criteria as follows.

Summary of Director’s assessment 2020 which has the full score of 4 with the following assessment criteria and 4 types of assessment.

1. Assessment done by all Directors using Director's Self-assessment

The overall Board of Directors were nonspecifically assessed by all Chairman of the Board and Executive Directors. The average score result was 3.89 (out of 4) which was accounted for 97.24% using 6 assessment criteria as follows.

- 1.1. Structure and Directors' qualifications, with assessment average score of 3.89 or 97.27%
- 1.2. Roles, duty, and responsibilities of the Board of Directors, with assessment average score of 3.84 or 95.89%
- 1.3. Board Meeting, with assessment average score of 3.96 or 99.11%
- 1.4. Committee's performance, with assessment average score of 3.97 or 99.15%
- 1.5. Relation with management team, with assessment average score of 3.89 or 97.32%
- 1.6. Committee's self-improvement and Executive's development, with assessment average score of 3.87 or 96.83%

2. Assessment by individual Committee; the assessment was conducted by using (individual) self-assessment for the Company's Directors with 3 assessment criteria including roles, duties, and responsibilities of the Board of Directors, Committee's performance, and Committee's self-improvement and Executive's development, which had the highest score of 3.98 and the lowest score of 3.27, the average score was 3.77 or 94.17%. Each assessment criteria had average score as follows.

- 2.1 Roles, duties, and responsibilities of the Board of Directors, the total average score was 3.71 or 92.53
- 2.2 Committee's performance, the total average score was 3.98 or 98.04%
- 2.3 Committee's self-improvement and the Executive's development, the total average score was 3.45 or 95.14%

3. Overall Board of Directors Crossover Assessment; All Independent Committee were nonspecifically assessed by Chairman of the Board and all Executive Directors. The assessment was based on 3 criteria including committee's roles, duties, and responsibilities, committee's performance, and committee's self-improvement and Executive's development. The highest score result was 3.98 and the lowest score was 3.82, and the total average score was 3.85 or 96.31%. Average scores for each assessment criteria were as follows.

- 3.1 Roles, duties, and responsibilities of the Board of Directors, the total average score was 3.83 or 95.27%
- 3.2 committee's performance, the total average score was 3.97 or 99.01%
- 3.3 committee's self-improvement and Executive's development, the total average score was 3.56 or 96.59%

8.5 Assessment of President and Chief Executive Officer

Summary of 2020 annual assessment of President and Chief Executive Officers (CEO) has the following assessment criteria.

- 1. Group 1:** work progress; the average score was 53.33% this was resulted from loss on net profit margin of 2020, bid on leasing project which the company has expertise in, and replacing electric buses project.
- 2. Group 2:** performance assessment; the average score was 82.08%. This was considered from leadership, development of mission, policy and strategic plan, strategy implementation, planning and financial performance, relationship with board of directors, partners, external organizations, work management, and relationship with personnel, succession, knowledge on products and services, and personal features. There were also additional suggestions on succession, increase in sale volume for high profitable products and



services by using innovation from the company's alliance, and adjustment on financial proportion back to normal, especially on reduction of interest rate.

3. The aspects that need to be developed and improved are relative transactions occurred in 2020, and the issues arising from the company's policy. Therefore, in 2021, there should be a revision to be able to reflect the real situations of the company in a reasonable way.

8.6 Result of Sub-Committee Self-Assessment



Result of Audit Committees Self-Assessment yearly 2020 in conclusion as follows

The Sub-Committee Self-Assessment criteria were distributed to 2 divisions as shown below.

Part 1 The overall performance of the Audit Committee

From the structure and composition assessment of the Audit Committee which resulted appropriateness and effectiveness to support the Audit Committee duties. Also, the general environment contributed to the functioning of the Audit Committee.

Part 2 Specific operation of the audit committee

The audit committee had completed all according to responsibilities in the article as shown below

Group 1 Reviewing the company's financial reports, in the past year, the company has no change on its accounting policy with significant impact. Items which are not regular with significant occurred, and the items in financial reports which should pay attention specially.

- Any review of unusual transactions has been well carried out whereby the Company's Management shall provide clarifications to analysts and medias.

- There is an excellent review other information relating to financial report, incidents from financial report, management review, work coordination with auditor, and any disclosure addressed in other reports.

Group 2 Reviewing the internal control and internal audit with appropriateness and effectiveness, consider on the independent of the internal audit company and approve on consideration of appointment, relocate and lay-off the head or related department of internal audit. In the past year, the company has no employment on external company for internal audit service, and has no quality assessment by independent assessor for at least every 5 years.

Group 3 Reviewing the company's legal compliance of the Securities and Exchange Commission and related law. In the past year, the company has no issues on failure to comply with law, regulation, related conduct and rule. The company has no auditor notices about suspect behavior which may cause the corruption, and collection all issues about suspect behavior. The auditor checked and found that every internal audit issue was reported.

Group 4 Considering on selection, appointment and offer compensation for independent person to be company's auditor, to join an auditor meeting with no management joining. During a year, the company has no policy to accept other services which is not audit service with the same audit company.

Group 5 Considering on related or collided issues, which could cause the conflict of interest according to the Securities and Exchange Commission and related law to ensure the maximum benefit for the company. In the past year, the audit committee has no conflicts with company's committee.

Group 6 Preparing an audit committee report disclosing in the Annual Report signed by the chairman of the audit committee. It should contain at least conditions as SET specified the qualification and scope of work of the audit committee.

Result of The Corporate Governance, Risk Management, Nomination and Compensation Committees (CGR) Self-Assessment Yearly 2020 in conclusion as follows

In 1/2021 Board Meeting on January 20, 2021 on Corporate Governance, Risk Management, Nomination and Remuneration committees. The committee had considered and come to unanimous agreement to approve the assessment for Corporate Governance, Risk Management, Nomination and Remuneration committees. All committee have been acknowledged, and performance assessment was conducted. The result of the self-assessment of 2020 by Corporate Governance, Risk Management, Nomination and Remuneration committees showed average score of 88.25 (of 92 full score) or 95.92%. There are 3 assessment criteria as follows.

Part 1 Overall performance of the committee; the result showed average score of 90.28%.

Part 2 specific performance of the committee; the result showed average score of 96.30%.

1. Inspection on corporate governance implementation for listed company
2. Inspection on risk management
3. Inspection on nomination
4. inspection on remuneration

Part 3 the report of the committee must consist of information as minimumly required by Stock Exchange on qualifications, scope of work, and performance of CGR committee. The assessment is accounted for 100%

1. CGR committee's report
2. CGR committee's charter

Result of the Executive Committee Self-Assessment Yearly 2020

1. In the group of main responsibility on quality development, the proportion is accounted for 60%. The assessment is considered from the achievement on responsible tasks, quality develop task, and efficiency of the task. The assessment result showed average score of 56.86% or 94.76 out of 100 full score.
2. In the group of work performance indicator, the proportion is accounted for 10%. The assessment is considered from work performance indicator. The assessment result showed average score of 8.85% or 88.48 out of 100 full score.
3. In the group of the company's policy implementation in terms of teamwork, service mind, and quality system, the proportion is accounted for 30%. The assessment is considered from capability to meet company's policy, teamwork, service mind, and quality system. The assessment result showed average score of 29.58% or 98.60 out of 100 full score.

Conclusion

The results of 3 categories: the highest average score is 98.60 of the key performance indicator division, the lowest average score is 88.48 of work performance indicator, the weighted average score of the Executive Committee is 93.95.



9. Internal Control and Connected Transactions

Internal control

The Board of Directors of the Company and its subsidiaries have continuously emphasized on essential Internal Control that focusing on the adequacy of the internal control system in all activities and the business operations to increase efficient and effective effectiveness in operations. As well as, there is an internal control assessment at least once a year.

The Board of Directors has assigned the Audit Committee to be responsible for Internal Control System, Risk Management System, and Corporate Governance System to be appropriate and efficient, as well as the responsibility for laws and regulations compliance, and monitoring related transactions to avoid the conflict of interest and to prevent corruption. The internal audit department is independent from management section in order to review the performance of various departments of the Company and its subsidiaries and report directly to the Audit Committee to enhance the efficiency of internal control. The Company and its subsidiaries have an internal control system and risk management by applying the international standard framework of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), the Enterprise Risk Management framework, and audit regulations of the Stock Exchange of Thailand and Thai Institute of Directors applying for more efficiency and effectiveness of the internal control.

Comments from Board of Directors' regarding to the adequacy of the Internal Control

At the Board of Directors Meeting No. 3/2021 held on February 24, 2021, the Executive Committee evaluated the Company's internal control system by "Assessment of adequacy of internal control system" in accordance with the guidelines prescribed by the Office of the Securities and Exchange Commission. The Company has adequate internal controls to ensure that the Company operates in a satisfactory manner to achieve the objectives of internal control, the efficient and effective of operations. Including controls, the consumption of resources, provide accurate, reliable and timely financial reports, compliance with the law, rules and policies of the company include those of the external regulatory agencies and organizations.

The Audit Committee and Board of Directors are agreed that the Company's internal control system in 2020 has sufficient internal control and appropriate according to the internal control system.

Internal Audit

The Internal Audit department is independent in performing audit and evaluation of an Internal Audit system, and tracking on the result of the working procedures revision to be suitable and cover the company and subsidiaries' working procedures. The Internal Audit Department is directly reported to the Audit Committees, to ensure that the

company operation consisted of an adequate, appropriate and effective control system, together with risk management to meet an acceptable level and to achieve the company operational objectives. There are Internal Audit department's charters and Internal Auditor's Ethics as a clear guideline for the operation.

The Internal Auditor performs its duties independently and objectively and reports functionally and directly to the Audit Committee. The charter of audit work has been revised to be up-to-date to use as a benchmark in the same direction.

The Internal Auditor evaluates and improves the effectiveness of internal control, processes according to annual audit plan after consideration of the Risk Based Audit Approach. The Internal Audit Office also consults and advises to ensure that company performance follows its strategies and achieves its goal and objectives. Furthermore, the Internal Audit Office regularly performs monitoring activities to ensure the effective and continuous improvement of internal control, risk management, and governance processes.

In assessing the effectiveness of internal control, the Internal Auditor has developed an adequate evaluation questionnaire for each internal control process, which is used to review the performance of each operation to ensure that the Company's objectives are achieved efficiently and effectively, rules and regulations are strictly adhered to and that financial reports are accurate and reliable.

Furthermore, the Internal Audit manager acts as the secretary to the Audit Committee to support the effective achievement of its responsibilities and ensure accountability, as assigned by the Board of Directors in the Audit Committee by monthly holding a meeting and to provide professional advice to the Company, concerning the Risk

Management and the Information Security of the Company.

The Internal Auditor adheres to the Standard for the Professional Practice of Internal Auditing, COSO 2013 and ISO 9001: 2015 frameworks and to perform their duties independently objectively according to the code of ethics. The Company emphasized on the Individual Coaching Plan, also the professional program qualified at different level.

Internal Audit manager and Chief of Compliance

1) Internal Audit Manager

The company has the internal audit section, with Mrs. Apsorn Suriya being internal audit Manager, with the agreement from the audit committee No.1/2012 on November 14, 2012. The audit committee agree that the internal audit manager has the educational background, experiences, training as sufficient to the performance of internal audit in all aspects according to the standard of internal audit and risk factor analysis, preparing of audit plan, preparing of internal audit report complied to standard, reviewing to the sufficiency completeness of the evidence referred in the report, proposing or suggesting of the methodology in correction, adding, or reducing of audited transaction, preparing of working paper in collecting audited information, and performing other assigned duty and understanding of the Company activities and operating. (Details of qualification of a Chief of internal audit of the company are in the attachment No. 3)

However, the audit committee authorizes to nominate, discharge, move and evaluate the performance of internal audit manager.

2) Chief of compliance

The board of directors has appointed Mr. Nattaporn Muangchantra (Legal assistant manager) to be chief of compliance, and has agreed that chief of compliance unit has the educational background, experiences, training as sufficient to the performance of governing the company and the subsidiary company in performing complied to regulations, act, notice from related organization such as the SEC and the SET; corporate governance for the public company and private firm in the group; preparing of document and the registration of correction, amendment of rules and regulations, resolutions to government sector; coordinating of transaction, legal act, registration agreement concerning the company's assets, providing the advice relating to civil case and criminal case, monitoring of debt collection and the enforcement of case. (Details of qualification of a Chief of compliance of the company are in the attachment No. 3)

Related Transactions

The Company and its subsidiary company has done the transactions with the person(s) which may have the conflict of interests, such transactions have been done with the Company's shareholders and the related person(s) according to provision 258. The transactions have been disclosed in the remark to financial statements and interim financial statements audited and reviewed by the auditor of the company. The audit committee has expressed the opinion about the appropriateness of such transactions that: the transactions were in corresponded with the Company's normal business, or with the reasonableness. The prices and other conditions were quoted complied to market price according to the fair and at arm's length price, the same as quoted to other person(s) or other business which have no relationship. There was no transaction of the benefits among the Company, the subsidiary company, and the person(s) which may have conflict of interest.

1. Related Transactions

The related transactions of the Company and the subsidiary company with the related person(s) for the accounting period of 2018-2020 ending 31st December 2018, 31st December 2019 and 31st December 2020 shown as follows:

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
1. Khon kaen Cho Thavee (1993) Co., Ltd. - Mr. Suradech Taweesaengsakulthai (major shareholders/ director) holds 97.38% and being the director of such company - Ms. Wasana Taweasang sakulthai (spouse of the company's director) is a director - Ms.Nopparat Saengsawang Company's executive) is a director - Mr. Suraphon Taweesangsakulthai (brother of the company's director) holds shares 0.23% and is a director of such company	Revenue from distribution and service The Company and the subsidiary company(TMT) sale the products and services of repairing of truck's body, trailer/semi-trailer	0.65	129.62	77.92	The Company sales the products and spare parts and provide the services of repairing as normal trade (distributing the auto body of the trucks, trailers-semi-trailers, trucks with containers, spare parts and providing repair service) with trade condition not differed from doing with the other	Being appropriate and complied to the market price and normal trade according to the fair and at arm's length price with the price closed to that of the others
	Account Receivables The Company and the subsidiary Company(TMT) have account receivables from such transaction at the ending of period. The credit term for service is 30 days, for spare part sale is 45 days and for car sale is 120 days	205.71	221.61	112.34	The Company has account receivables by giving normal credit from overdue receivables. The agreement on debt and interest payment is made for installment payment in 6 years. The accrued debts can be settled before the installment term.	- Trade as to normal trade, the price was closed to that of other person from the trade in the past - the account receivables are incurred in 2017, 2018 and 2019 with following particulars. In 2017, 16 NGV Buses for 67.2 million Baht, 54 refrigerated trucks for 82.68 million Baht. In 2018, 34 NGV buses for 142.8 million Baht, and 30 refrigerated trucks for 30.39 Baht. In 2019, 77 refrigerated trucks for 121.70 million Baht
	Interest Receivable The Company and the subsidiary company (TMT) have the interest receivables	19.01	13.20	8.91	- According to th company's policy, in case of overdue payment with movement for the company, the company will charge interest for the surplus at 7.5% per annum - The interest receivable of Company and the subsidiary from overdue receivables is 7.5 percent per year	

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
1. Khon kaen Cho Thavee (1993) Co., Ltd. (continue) - Ms. Asana Taweesangsakulthai (director) holds share 0.69% and is a director of such company. - Ms. Wadee Taweesangsakulthai (sister of the company's director) holds shares 0.077% and is a director of such company	Accrued Interest Receivables The Company and the subsidiary company (TMT) have the interest receivable	38.38	22.10	8.91	The interest receivable (from overdue payment customers) of Company and the subsidiary 7.5 percent per year	The interest rate according to the law stated
	Rental revenue The Company rented the office building space to Khon Kaen Cho Thavee (1993) Co., ltd to be office	0.36	0.36	0.36	The company rents out headquarter area to Khon kaen Cho Thavee (1993) Co., Ltd. as an office with warehouse rental at cost of 30,000 Baht/month, it is annual contract with the market rental rate	The determination of price as per net book value was appropriated, with the price evaluation in equivalent to market price
	Other revenues The Company provide legal consultant service	0.00	0.64	0.96	Legal service and lawsuit consultant service: 80,000 Baht/ month. Service charge from Jan- Aug 2019 was 640,000 Baht.	Being appropriate and according to the company policy
	Other revenues The company sales other tools	0.00	0.00	0.04	Expenses Advance such as employee uniform etc.	
	Guarantee fee The fee from using the security of Khon Kaen Cho Thavee (1993) Co., Ltd., for being pledged to the Company's credit line	0.56	0.56	0.58	The company has granted credit line from the bank by pledging the security of Khon kaen Cho Thavee (1993) Co., Ltd. At the beginning was gratuitous and to be clear, therefore charge a fee equal to other Securities Lending companies	Being the security of the related company to be pledged to credit line from bank for the operating of business of the company as necessary, and the fee equal to the fee of other financial institution
	Transport service cost Transportation fee and service fee by E-Ticket Project	0.00	0.00	1.22	The Company has used the transportation services and the E-ticket system for the rental of electronic tick-eting system. Prices and terms of trade are in line with the market price.	The service rate is appropriate comparing with other person service rate

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
1. Khon kaen Cho Thavee (1993) Co., Ltd. (continue)	Rental The cost of land rent and building parking lots for KKU Smart Transit in Khon Kaen University	0.36	0.36	0.36	It is parking lots for KKU Smart Transit project in Khon Kaen University	
	Other Account Receivables The Company has other receivables from expenses charged	0.00	12.50	0.03	The Company has receivables with normal credits from overdue receivables, and the negotiation is arranged about debt and interest installment payment for 6 years. The accrued debts can be settled before the installment term.	
	Advance Receivables The Company has the lending for the advance money for fuel	0.00	0.00	0.78	The advance money to be charged	It is normal advance money
	Account payables The Company has other account payables relating to spare part purchase, rentals and others	0.34	0.62	0.41	The Company has granted credit terms as per normal trade	Condition is closed to other person, and there is no transection in 2012
2. Volrep Truck and Bus Co., Ltd. Ms. Asana Taweesangsakulthai (director) holds 0.50% and being the director of such company	Revenues from distributing products and services The Company sales products and services in repairing of the body of truck, trailer/ semi-trailer	1.17	1.06	0.19	The Company has sold the products and spare parts as normal business, with the comparison of price with other seller, the price and condition offered based on market price basis	Being appropriated as per normal business, the price and condition closed to that of other person
	Account Receivables The Company has account receivables and advance from spare part purchase	1.44	1.70	1.33	The Company has received the credit terms as per normal business	

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
2. Volrep Truck and Bus Co., Ltd. (continue) - Mr. Suraphon Taweesangsakulthai (Brother of the company's director) holds shares for 2.00% and is a director of such company - Mr. Surachai Taweesangsakulthai (Brother of the company's director) holds shares for 2.00% and is a director of such company - Ms. Wadee Taweesangsakulthai (Sister of the company's director) holds shares for 0.50% and is a director of such company	Rental revenue The Company has the income from bus/ truck rental	0.25	0.13	0.14	Rental service of bus/ truck for work	There was the comparison of price as appropriated and as per normal business, the price and condition closed to that of other person
	Product purchase - The Company has bought the products, raw materials, and equipment. - There was hiring a company to perform maintenance service for KKU Smart Transit project	4.95	25.25	2.38	The Company has bought spare parts and equipmentat the agreed price, and the price was closed to market price	There was the comparison of price as appropriated and as per normal business, the price and condition closed to that of other person
		5.74	3.58	3.66	There was hiring a company to perform maintenance service for KKU Smart Transit project with the service center standard price	
	Account payables The Company and the subsidiary Company (Cho Thavee Thermotech Co., Ltd) have account payables from such transaction at the end of period	0.09	1.28	1.06	The Company has received the credit terms as per normal business	

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
2. Volrep Truck and Bus Co., Ltd. (continue)	Service revenue The Company has offered the managements service, accounting software, and paid the expenses in advanced	0.00	1.94	3.26	- Volrep Truck and Bus Co., Ltd.; has no accounting software of its own, and has hired the company for the service of accounting software and others with the service fee as follows - Employee shuttle bus service for 60,000 Baht/ month charged from Jan- Jun 2019 in amount of 360,000 Baht - OPV Project administration cost for 135,000 Baht/ month charged from Jan- Jun 2019 and in Jul 2020, the cost is 140,000 Baht, totaling 950,000 Baht - General management cost for 18,691.59 Baht/month from Jan- Aug 2019, in amount of 149,532.72 Baht. - Legal service cost for 60,000 baht/ month charged from Jan- Aug 2019, in amount of 480,000 Baht.	Being the appropriated service fee with the comparison with other person
	Rental revenue The subsidiary company rented car to serve the executive of company	0.00	0.25	0.25	Volrep Truck and Bus Co., Ltd. has the bus/truck rental service to the subsidiary company at cost of 21,000 Baht/month	Being the appropriated service fee
3. Ruamthavee Khon kaen Co., Ltd. Mr. Siriwat Taveesangkulthai (director) holds 19.16% and being the director of such company	Revenue from distributing products and services The Company has sold the products and provided the services of repairing the truck’s body, trailer/semi-trailer	0.00	0.15	0.00	The Company has sold spare parts and provided the services of repairing as to normal trade with the comparison with other seller, the offered price and condition was under market price basis	Being appropriated as to normal trade, the price closed to that of trading with other person

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
3. Ruamthavee Khon kaen Co., Ltd. (continue) Mr. Suraphon Taweesangkulthai (Brother of the company’s director) is a director of such company	Account Receivables The Company has account receivables from such transaction at the end of period	0.26	0.20	0.00	The Company has outstanding debts from selling products, spare parts and services as normal business	Being appropriated as to normal trade, the price was closed to that of other person
	Purchase of raw materials and products The Company has bought raw materials and spare parts	1.67	2.40	8.47	The company has bought raw materials and spare parts as to normal trade	Being appropriated and the condition
	Trade Account Payable The Company has trade account payables from such transaction at the end of accounting period.	1.11	0.63	2.38	Being trade condition as to normal trade of Ruam thavee Khon kaen Co., Ltd. which was the price closed to market price and received credit terms as to normal trade credit terms	Trade as to normal trade, the price was closed to that of other person from the trade in the past
	Accrued Interest Payable The Company has interest payables	0.00	0.00	0.29	The accrued interest payable according to delayed payment	Being appropriated according to business condition
4. Tang Hua Sing Nakon Pathom Limited Partnership Mrs. Penphimol Vejvarut, major shareholder and managing partner	Revenue from distributing products and services The Company has sold the products and provided the service of repairing the truck’s body, trailer/semi-trailer	0.00	0.00	0.02	The Company has sold spare parts and provided repairing service as to normal trade, with the comparison of the price with other seller, the price and condition under market price basis	Being appropriated as to normal trade, the price was closed to that of other person
	Purchase of raw materials and products The Company has bought the products, raw materials	10.28	16.21	46.41	The company has bought raw materials and spare parts as to normal trade	Being appropriated as to normal trade, the price was closed to that of other person

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
4. Tang Hua Sing Nakon Pathom Limited Partnership (continue)	Account Receivables The Company has account receivables from such transaction at the end of period	4.98	2.26	0.00	The Company has outstanding creditors from selling products, spare parts and services as normal business	
5. TSP-CTV JOINT VENTURE The Company has signed the joint venture agreement with T.S energy saving lighting Co., Ltd. with joint responsibility	Other revenues The Company has realized revenues from management job.	0.00	0.00	1.43	The company has charged for the management fee and the payment on behalf of Joint Venture as necessary, since the joint venture has no personal of its own in present the project under control of Ministry of Defense	Being appropriated and the necessity and the Company determination of price
	Other receivables The Company has other account receivables from such transaction at the end of account period	0.00	0.00	4.94		
	Account receivable The Company has account receivable from advance money at the end of account period	0.00	0.00	0.02		
6. JVCC JOINT VENTURE. The Company has signed joint venture agreement with Khon kaen Cho Thavee (1993) Co., Ltd. with joint responsibility	Advance receivables The Company has other account receivables from advance money at the end of account period	5.10	5.10	5.08	The Company has paid a necessary expense since the Joint Venter has no personal in the bidding project to government sector and private sector with the condition in having the company’s registered capitals of more than 270 million baht. It is expenses for proceedings that the enterprise files a prosecution against government authorities. After the cases are final, it will be liquidation.	Being appropriated and corresponded with short-term necessity, with not much amount as significant

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
7. JVOPV Joint Venture The Company has signed joint venture agreement with Khon kaen Cho Thavee (1993) Co., Ltd. with joint responsibility	Advance Receivables The Company has other account receivables from advance money at the end of account period	0.07	0.06	0.06	The Company has paid a necessary expense since the Joint Venter has no personal in the bidding project to government sector and private sector. Now, the joint venture is closing down the business due to no overall operation.	Being appropriated and corresponded with short-term necessity, with not much amount as significant
8. KHON KAEN City Development Co., Ltd. Mr. Suradech Taweesaengsakulthai (director) holds 6.86% and being the director of such company	Service Revenue The company has provided making video presentations and other tasks	0.00	0.00	0.17	The company has provided making video presentations for the Khon Kaen Think Tank Co., Ltd. and billing to them	Being appropriated as to the company’s pricing policy
	Account receivable The Company has outstanding debts from such transection at the end of account period	0.00	0.00	0.14	The company has provided accounting consultancy service	Being appropriated and corresponded with short-term necessity, with not much amount as significant
9. Mr. Suradech Taweesaengsakulthai The major shareholders of the company with the portion of 35.91% of paid-up registered capitals as at closing date on 31/12/2020	Particulars of credit line guarantee aid Being the guarantor for the subsidiary company (Cho Tavee Thermotech Co., Ltd “TMT”)’s credit line with bank	Guarantee line with 1 bank in total of 25.00 million baht	Guarantee line with 1 bank in total of 25.00 million baht	Guarantee line with 1 bank in total of 25.00 million baht	The subsidiary company has the loans agreement with the bank with the condition that the director being guarantor to such credit line beside to other collateral, and the director did not charge any compensation for such guarantee	The transaction was reasonable and benefited to the company business, and the company have to do as to the bank’s condition

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
9. Mr. Suradech Taweesaengsakulthai (continue) - Director - Chief Executive Officer - President and Chief Executive Officer	Borrowed amount The Company has loan account payables at the end of account period	0.00	0.00	18.90	The subsidiary company has the committee loan with principal not exceeding 20 million Baht and interest rate at 8% per annum .	The transaction was appropriate and it is the normal rate of business according to the law
	Interest Payable The Company has interest Payable	0.00	0.18	0.00		
	Accrued Interest Payable The Company has Accrued interest Payable	0.00	0.39	0.21		
	Loan The subsidiary company (Cho. Thavee Thermotech Co., Ltd) has receivables of Mr. Suradech Taweesaengakulthai	0.00	111.07	0.00		
	Interest Receivable The Company has interest Receivable	0.00	3.24	0.21		
	Accrued Interest Receivable The Company has Accrued interest Receivable	0.00	3.45	0.21		

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
9. Mr. Suradech Taweesaengsakulthai (continue)	Particulars of credit line guarantee aid Being the guarantor for the company that related with bank	Guarantee line with 1 bank in total of 39.00 million baht	Guarantee line with 1 bank in total of 39.00 million baht	Guarantee line with 1 bank in total of 39.00 million baht	Knon kaen Cho Thavee (1993) Co., Ltd. has the loans agreement with the bank with the condition that the director being guarantor to such credit line beside to other collateral, and the director did not charge any compensation for such guarantee	The transaction was reasonable and benefited to the company business, and the company have to do as to the bank's condition
10. Ms. Asana Taweesaengsakulthai - The Company's shareholder in the portion of 2.99% of paid-up capitals as at 31/12/2020 - Director - The executive committee - First Senior Vice President	Particulars of credit line guarantee aid Being the guarantor for the subsidiary company (Cho Tavee Thermotech Co., Ltd) 's credit line with bank	Guarantee line with 1 bank in total of 25.00 million baht	Guarantee line with 1 bank in total of 25.00 million baht	Guarantee line with 1 bank in total of 25.00 million baht	The subsidiary company (Cho Tavee Thermotech Co., Ltd) has the loans agreement with the bank with the condition that the director being guarantor to such credit line beside to other collateral, and the director did not charge any compensation for such guarantee	The transaction was reasonable and benefited to the company business, and the company have to do as to the bank's condition
	Rental The Company has paid for rental fee at the Bangkok office	1.20	1.20	1.20	The Company has rented the Bangkok office space at 100,000 baht per month	The transaction was reasonable and benefited to the company business, and the company have to do as to the market price condition
	Other creditors The creditor from such transaction at the end of accounting period	0.90	0.60	0.20		
11. OJ Development Co., Ltd. Ms. Asana Taweesaengsakulthai (director) holds 44.99% and being the director of such company	Service Revenue The company has provided legal consultant service	0.00	0.40	0.60	- Legal service and lawsuit consultant service 50,000 Baht/ month from Jan-Aug 2019, totaling 400,000 Baht. - The Company has outstanding debts from selling products and services as normal business	Being appropriated as to the company's pricing policy
	Account Receivable The Company has account receivables from such transaction at the ending of period	0.00	0.00	0.32		

Name of the related person/relationship	Characteristic of related transactions	Value (million baht)			Particulars description	The opinion of audit committee
		31 st December 2020	31 st December 2019	31 st December 2018		
12. Joint Venture SCN-CHO The Company has signed the joint venture agreement with Scan Inter Public Co., Ltd. with joint responsibility	Revenue from distributing products and services The Company has sold the products and provided the service of repairing the NGV bus	123.41	540.33	1,159.54	The Company has signed the sale and maintenance agreement of 489 NGV buses for 10 years	Being appropriated as to the company's pricing policy
	Account Receivable The Company has account Receivables included deposit from such transaction at the ending of period	22.35	20.60	293.56	The Company has outstanding debts from selling products and services as normal business	
	Sale and purchase agreement tax The Company has expenses in live.	8.35	0.00	0.00	บริษัทฯ ได้มีการชำระค่าอากรในการติดสัญญาซื้อขายฯ แทน	It is the joint venture agreement that was approved and appropriated
	Loan Loan from the payment for substitution expenses	0.00	0.00	117.91	The Company has borrowed 3.5 million for paid the consultant expense and 165.74 million for paid import Tax & VAT	
	Work guarantee The retentions	0.00	0.00	102.46	SCN-CHO has cash as collateral with BMTA recorded to responsible for 50%	
13. บจก.อมส รัตนโกสินทร์ คุณสรเดช ทวีแสงสกุลไทย (กรรมการ) ถือหุ้น 0.01% และเป็นกรรมการของบริษัทดังกล่าว บมจ.ช ทวี ถือหุ้น บริษัทดังกล่าว 99.97%	ลูกหนี้ บริษัทฯ มียอดลูกหนี้เนื่องจากรายการดังกล่าว	18.95	0.00	0.00	• บริษัทฯ ให้เครดิตต่อเป็นไปตามระยะเวลาการให้เครดิตการค้าปกติ บริษัทฯ จ่ายค่าใช้จ่ายแทนตามความจำเป็น • บริษัทฯ เก็บค่าบริการที่ปรึกษา	
	บริษัทฯ ได้จ่ายค่าใช้จ่ายอื่น ๆ แทน	0.00	0.00	0.00		
	บริษัทฯ รับค่าบริการที่ปรึกษา	0.00	0.00	0.00		

2 Audit committee's opinion

The audit committee's meeting No. 3/2021 on 24th February 2021 has considered and reviewed with company's managements, expressed the opinion that the related transactions with the related person(s) for the 2020 accounting period were reasonable. The determination of price or the condition of such transactions were suitable or compared with the appraised price by the independent appraiser approved by SEC Office, or the comparative market price. So, it did not cause the disadvantage to the company.

3 Measure or the procedure in appraising related transactions

The Board of Directors' meeting No. 9//2020 on October 12, 2020 has approved in principles about the improvement of the policy and procedure in doing related transaction, in order to have the transaction between person (s) or juristic person (s) which may have conflict of interest being transparency, and to save the company's benefits. Has review and consider transaction regularly quarter up until now.

In case of transactions for normal business or supporting normal business of the company and the subsidiary company with related persons in the future, it is a trade agreement in the same manner as a reasonable person may do with general signatories in the same circumstance. They will have negotiating power free from influence of a status as the directors, executives or related persons and normal trade conditions or market price under reasonable terms that can be verified and result in no benefit transfer. The Company's management can proceed with normal business after the board of directors considers approval in accordance with the approval authority table and operating power of the company in a strict manner. The transactions must be concluded before reported to the audit committee on a quarterly basis or according to the intention of the board of directors

The transactions shall be audited by the audit committee and/or board of directors related to validity of the transactions, price checking and other conditions whether they meet the normal business conditions. The board of directors shall supervise the company to comply with securities and exchange law, a notice of the capital Market Supervisory Board as well as rules, regulations, notices, instructions or requirements of the Stock Exchange of Thailand. It includes requirement pertaining to related party transactions, obtainment or distribution of assets of the company or the subsidiary company (if any), and compliance with the accounting standard as specified by the Federation of Accounting Profession of Thailand.

Nevertheless, if any transaction of the company and the subsidiary company (if any) is made between persons that may have conflict of interest in the future, the Company will assign the audit committee to give opinion about necessity of transactions and suitability of transactional price by considering the conditions in accordance with the normal trade characteristics by comparing price with the third parties. In case of no expertise to consider the potential transactions of the company, an independent expert or auditor of the Company will give opinions about such transactions in support of decision of the audit committee and/or committee and/or shareholders as the case may be. The Company will disclose transactions in the note of financial statement to be audited by the company's auditor.

4 Policy or trend in doing related transaction

In the future, the company may have the related transaction as deem appropriate under the normal trade condition and can be referred to the trade condition of the same business which the company operates with the outside person(s). The company shall act as to rule of law pertaining to securities and stock exchange market, and regulations, notices, orders, of the market for

alternative investment (MAI), including the performance as to regulations and disclose the information of doing related transaction, and the acquisition or disposal of significant assets of the listed company and the subsidiary company corresponded with accounting standard defined by the council of accounting profession.

In case that there will be the related transaction, the company and the subsidiary company shall act as to the announcement about the regulation dealing with procurement. The company shall also act as to the procedure of approving the related transaction mentioned there must be the comparison of price and condition from the distributors or other contractors who are not the related persons, and must have the quotation which clearly defines the price and condition, and being brought together in submitting to the audit committee for the expressing of opinion about the necessary and the appropriate of such transaction, before being proposed for the approval as per the

measure of doing related transaction.

5 Measure in the future for the prevent of Conflicts of Interest

For the firm that has or may have the opportunity to perform business related to the company or the subsidiary company, and meets the measure of being the related persons from having the affiliated directors and/or shareholders under the related regulation of the SEC, the company has not adjusted the structure by combining such firm to be under controlling power of the company. In order for the transparency in management, and in corresponded with the direction under the regulation of securities and stock exchange market act B.E. 2535 relating to the protection of minor shareholders’ interests, the company has signed the agreement with such firm in defining the scope in operating business of each company, in order to remove the opportunity of having conflict of interest with the company. The followings are the related company, including this substance of agreements:

1. Khon kaen Cho Thavee (1993) Co., Ltd. (“CTV-1993”)	
Group of shareholders/person(s) with control power	The holding of shares Mr. Suradech Taweesaengsakulthai holds 97.38% of registered capitals The director Mr. Suradech Taweesaengsakulthai
Business model	Selling of truck’s head, every type of trailer, and leasing for truck
Assets in ownership (Audited financial statements as at 31st December 2019)	217.12 million baht
Reason of not being in the group	The difference in business model with the company
Measure in protecting conflict of interest	Agreement dated 15th June 2011 with the major point as follows: 1. CTV-1993 will not do business in the same or like that of CHO 2. CHO and CTV-1993 agree and guarantee to each other that; any operation between both contractors under this agreement must complied to law, regulation, notice, including rules and regulations of the SEC and the SET 3. CHO and CTV-1993 agree and accept that each party is unable to utilize human resources and assets of the other party for the benefits of its own
The binding time	Start from date of signing agreement until the related contractor agree on the change

2. German truck and Bus Co., Ltd (former name is Volrep Truck and Bus Co., Ltd. (“Volrep”)	
Group of shareholders/person(s) with control power	Holding of shares Ms. Asana Taweesaengsakulthai holds 0.50% of registered capitals The directors Ms. Asana Taweesaengsakulthai
Business model	Selling of truck’s head, trailer, spare parts of truck, and engine repairing
Assets in ownership (Audited financial statements as at 31st December 2019)	89.26 million baht
Reason of not being in the group	The difference in business model with the company
Measure in protecting conflict of interest	Agreement dated 15th June 2011 with the major point as follows: 1. Volrep will not operate business in the same or like that of CHO 2. CHO and Volrep agree and guarantee to each other that; any operation between both contractors under this agreement must complied to law, regulation, notice, including rules and regulations of the SEC and the SET 3. CHO and Volrep agree and accept that each party is unable to utilize human resources and assets of the other party for the benefits of its own
The binding time	Start from date of signing agreement until the related contractor agree on the change

In case of the related transaction between the company or the subsidiary company with the related person, including the amendment of contract or agreement under the opinion from audit committee and presented to the company board of directors for the consideration. Any director with interest or may have conflict of interest in related transaction, is unable to involve in the consideration of approving the related transaction complied to the regulation of the SET concerning related transaction.

Part 3

Financial Statements 2020



Cho Thavee Public Company Limited and its Subsidiaries

Financial statements for the year ended 31 December 2020 and Independent Auditor's Report

Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

Independent Auditor's Report

To the Shareholders of Cho Thavee Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Cho Thavee Public Company Limited and its subsidiaries (the "Group") and of Cho Thavee Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2020, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2020 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Material Uncertainty Related to Going Concern

I draw attention to Note 2 in the financial statements, which indicates that the Group and the Company incurred net loss of Baht 238.7 million and Baht 207.8 million for the year ended 31 December 2020, and as of that date, the Group and the Company had deficits in amount of Baht 112.9 million and Baht 97.2 million and the current liabilities exceed current assets of Baht 352.7 million and Baht 243.8 million, respectively. As further disclosed in note 2, the Group's operation was and may continue to be significantly affected in the future by the economic uncertainty resulting from the spread of COVID-19. These circumstances indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. My opinion is not modified in respect of this matter.



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, I have determined the matters described below to be the key audit matters to be communicated in my report.

Revenue and cost from contract work	
Refer to Note 2(c), 4(c), 4(e), 4(n) and 4(t) to the financial statements.	
The key audit matter	How the matter was addressed in the audit
Revenue recognition The Group recognises revenue from contract work using percentage of completion that is determined by the proportion of contract costs incurred for work performed to date compared with the estimated contract cost. Management and engineer of the Group are required to apply judgment in estimating budget cost and appropriately adjust such budget until each project is completed and delivered. Therefore, I have determined that the stage of completion and contract cost estimation are important matters for examination.	My audit procedures in these areas included, among others: • Understand the budget estimation process and adjustment in the estimated cost of contract work. • Test the estimated costs of contract work which were approved by the management, actual costs, revenue from contract work and unbilled revenue with related contracts and documents. • Compare the stage of completion estimated by the actual costs and the estimated costs with the stage of completion surveyed including the test of tracing against customers' acceptance documents. • Analyse the actual costs incurred against the estimated costs, gross profits analysis, work progress and inquire management for the rationale of differences. • Evaluate the appropriateness of the revenue recognition and significant terms and condition of contracts entered into with customers in accordance with the relevant standards. • Test calculation on the stage of completions and unbilled revenue. • Test the subsequent actual costs incurred after the period ended with related documents. • Evaluate the adequacy of the disclosures in accordance with the relevant Thai Financial Reporting Standards.

Emphasis of Matter

I draw attention to Note 3 to the financial statements describing the effect of the Company's adoption of certain new accounting policies from 1 January 2020 which are TFRS - Financial instruments standards, TFRS 16 Leases and change in land recognition accounting policy in property, plant and equipment from cost method to revaluation method and change in land recognition accounting policy in investment property from cost method to fair value method. My opinion is not modified in respect of this matter.



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

Other Information

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

My opinion on the consolidated and 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 and 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 and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and 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.



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

- 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and 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 and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and 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 and 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.

(Bongkot Amsageam)
Certified Public Accountant
Registration No. 3684

KPMG Phoomchai Audit Ltd.
Bangkok
24 February 2021



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
Assets	Note	2020	2019	2020	2019
		(in thousand Baht)			
<i>Current assets</i>					
Cash and cash equivalents	7	16,133	12,932	16,041	12,671
Trade and other current receivables	6, 24	226,380	471,580	212,805	364,003
Current contract assets	24	307,544	387,485	302,576	380,235
Short-term loans to related parties	6	-	111,067	132,533	267,718
Inventories	8	743,385	652,247	696,108	610,010
Other current assets		173,954	96,845	168,637	96,553
Total current assets		1,467,396	1,732,156	1,528,700	1,731,190
<i>Non-current assets</i>					
Restricted deposit at financial institution	14	37,540	62,860	34,000	59,860
Investment in non-marketable equity instruments	24	25,000	25,000	25,000	25,000
Investment in associate	9	2,341	2,459	2,818	2,818
Investments in subsidiaries	11	-	-	24,599	23,600
Trade non-current receivables	6, 24	157,993	-	102,062	-
Non-current contract assets	24	32,613	-	32,613	-
Investment properties	12	89,040	-	71,810	-
Property, plant and equipment	13	1,029,935	1,108,725	991,766	1,052,563
Intangible assets		18,774	20,813	12,846	16,869
Deferred tax assets	21	-	10,974	-	9,982
Refundable deposits	10	240,032	236,517	240,032	236,517
Other non-current assets		37,658	52,283	37,650	52,283
Total non-current assets		1,670,926	1,519,631	1,575,196	1,479,492
Total assets		3,138,322	3,251,787	3,103,896	3,210,682

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



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries
Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2020	2019	2020	2019
(in thousand Baht)					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	14	592,683	571,918	567,848	554,617
Trade and other current payables	6	211,089	199,380	194,707	192,941
Current contract liabilities		536	1,999	536	1,625
Short-term loans	14	10,827	298,146	10,827	298,146
Current portion of long-term loans	14	33,100	24,900	31,900	24,900
Current portion of lease liabilities	14	4,546	11,427	4,546	11,427
Current portions of debenture	14	931,754	299,035	931,754	299,035
Current income tax payable		378	2,213	-	1,825
Current provisions for employee benefits	15	14,837	-	13,390	-
Other current liabilities		20,327	8,328	17,009	6,039
Total current liabilities		1,820,077	1,417,346	1,772,517	1,390,555
Non-current liabilities					
Long-term loans	14	221,996	-	216,997	-
Lease liabilities	14	43,139	1,300	43,136	1,300
Debentures	14	70,610	841,337	70,610	841,337
Deferred tax liabilities	21	30,505	-	30,833	-
Non-current provisions for employee benefits	15	14,712	33,622	14,041	31,512
Total non-current liabilities		380,962	876,259	375,617	874,149
Total liabilities		2,201,039	2,293,605	2,148,134	2,264,704
Equity					
Share capital	16				
Authorised share capital		588,999	588,999	588,999	588,999
Issued and paid-up share capital		330,475	327,222	330,475	327,222
Share premium					
Premium on ordinary shares	16	532,833	524,895	532,833	524,895
Share premium from share-based payment		29,013	29,013	27,068	27,068
Discount from increment of investments in subsidiary		(5,633)	(5,633)	-	-
Retained earnings (Deficit)					
Appropriated					
Legal reserve	17	9,649	9,649	9,649	9,649
Unappropriated (Deficit)		(112,907)	73,034	(97,162)	57,144
Other components of equity	3, 17	153,852	-	152,899	-
Equity attributable to the parent		937,282	958,180	955,762	945,978
Non-controlling interests		1	2	-	-
Total equity		937,283	958,182	955,762	945,978
Total liabilities and equity		3,138,322	3,251,787	3,103,896	3,210,682

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



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries
Statement of comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2020	2019	2020	2019
		(in thousand Baht)			
Revenues					
Revenue from contract		350,411	1,185,393	324,046	1,114,563
Revenue from sales and services		277,064	339,196	277,707	313,486
Other income		20,489	84,617	31,292	93,713
Total revenues		647,964	1,609,206	633,045	1,521,762
Expenses					
Cost of contract		(307,937)	(932,897)	(283,355)	(878,618)
Cost of sales and services		(246,674)	(262,836)	(248,559)	(243,719)
Distribution costs		(19,837)	(32,385)	(17,618)	(28,723)
Administrative expenses		(167,841)	(160,534)	(148,441)	(145,582)
Total expenses		(742,289)	(1,388,652)	(697,973)	(1,296,642)
Profit (loss) from operating activities		(94,325)	220,554	(64,928)	225,120
Finance costs		(144,609)	(145,653)	(143,342)	(144,132)
Share of loss of investments in associate	9	(118)	(93)	-	-
Profit (loss) before income tax expense		(239,052)	74,808	(208,270)	80,988
Tax expense (income)	21	(309)	8,952	(469)	8,690
Profit (loss) for the year		(238,743)	65,856	(207,801)	72,298
Other comprehensive income					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gain on revaluation of assets	3	246,061	-	244,870	-
Gains on remeasurements of defined benefit plans	15	16,473	4,477	15,294	4,242
Income tax relating to items that will not be reclassified		(52,507)	(895)	(52,033)	(848)
Other comprehensive income (expense) for the year, net of tax		210,027	3,582	208,131	3,394
Total comprehensive income (expense) for the year		(28,716)	69,438	330	75,692
Profit (loss) attributable to:					
Owners of parent		(238,742)	65,858	(207,801)	72,298
Non-controlling interests		(1)	(2)	-	-
Profit (loss) for the year		(238,743)	65,856	(207,801)	72,298
Total comprehensive income (expense) attributable to:					
Owners of parent		(28,715)	69,440	330	75,692
Non-controlling interests		(1)	(2)	-	-
Total comprehensive income (expense) for the year		(28,716)	69,438	330	75,692
Earnings (loss) per share					
Basic and diluted earnings (loss) per share (Baht)	23	(0.1806)	0.0503	(0.1572)	0.0552

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

Financial statements

Cho Thavee Public Company Limited and its Subsidiaries
Statement of comprehensive income

	Consolidated financial statements							
	Retained earnings				Equity			
	Issued and paid-up share capital	Premium on ordinary shares	Share premium from share-based payment	Discount from increment of investments in subsidiary	Legal reserve	Unappropriated	Equity attributable to owners of the parent	Non-controlling interests
<i>Note</i>								
Year ended 31 December 2019								
Balance at 1 January 2019	327,222	524,895	29,013	(5,633)	6,820	6,423	888,740	4
Comprehensive income for the year								
Profit for the year	-	-	-	-	-	65,858	65,858	(2)
Other comprehensive income	-	-	-	-	-	3,582	3,582	-
Total comprehensive income for the year	-	-	-	-	-	69,440	69,440	(2)
Transfer to legal reserve	-	-	-	-	2,829	(2,829)	-	-
Balance at 31 December 2019	327,222	524,895	29,013	(5,633)	9,649	73,034	958,180	2

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

Financial statements

Cho Thavee Public Company Limited and its Subsidiaries
Statement of comprehensive income

	Consolidated financial statements							
	Retained earnings (Deficit)				Other components of equity			
	Issued and paid-up share capital	Premium on ordinary shares	Share premium from share-based payment	Discount from increment of investments in subsidiary	Unappropriated (Deficit)	Revaluation reserve	Equity attributable to owners of the parent	Non-controlling interests
<i>Note</i>								
Year ended 31 December 2020								
Balance at 31 December 2019 - as reported	327,222	524,895	29,013	(5,633)	9,649	73,034	958,180	2
Impact of changes in accounting policies	-	-	-	-	-	(14,123)	(14,123)	-
Balance at 1 January 2020 - restated	327,222	524,895	29,013	(5,633)	9,649	58,911	944,057	2
Transactions with owners, recorded directly in equity								
<i>Contributions by owners of the parent</i>								
Issue of ordinary shares	3,253	7,938	-	-	-	-	11,191	-
Total contributions by owners of the parent	3,253	7,938	-	-	-	-	11,191	-
Comprehensive income for the year								
Loss for the year	-	-	-	-	(238,742)	-	(238,742)	(1)
Other comprehensive income	-	-	-	-	13,178	196,849	210,027	-
Total comprehensive income for the year	-	-	-	-	(225,564)	196,849	(28,715)	(1)
Transfer to retained earnings (deficit)	-	-	-	-	53,746	(42,997)	10,749	-
Balance at 31 December 2020	330,475	532,833	29,013	(5,633)	9,649	153,852	937,282	1

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



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries
Statement of financial position

	Separate financial statements					Total equity
		Issued and paid-up share capital	Premium on ordinary shares	Share premium from share-based payment	Retained earnings (Deficit)	
	Note				Legal reserve (in thousand Baht)	Unappropriated (Deficit)
Year ended 31 December 2019						
Balance at 1 January 2019		327,222	524,895	27,068	6,820	(15,719)
Comprehensive income for the year						
Profit for the year		-	-	-	-	72,298
Other comprehensive income		-	-	-	-	3,394
Total comprehensive income for the year		-	-	-	-	75,692
Transfer to legal reserve	17	-	-	-	2,829	(2,829)
Balance at 31 December 2019		327,222	524,895	27,068	9,649	57,144
						870,286
						72,298
						3,394
						75,692
						-
						945,978

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



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries
Statement of financial position

Separate financial statements								
	Note	Issued and paid-up share capital	Premium on ordinary shares	Share premium from share-based payment	Retained earnings (Deficit)		Other components of equity	Total equity
					Legal reserve (in thousand Baht)	Unappropriated (Deficit)		
Year ended 31 December 2020								
Balance at 31 December 2019 - as reported								
		327,222	524,895	27,068	9,649	57,144	-	945,978
	3	-	-	-	-	(12,486)	-	(12,486)
Balance at 1 January 2020 - restated								
		327,222	524,895	27,068	9,649	44,658	-	933,492
Transactions with owners, recorded directly in equity								
Contributions by owners of the parent								
	16	3,253	7,938	-	-	-	-	11,191
Total contributions by owners of the parent								
		3,253	7,938	-	-	-	-	11,191
Comprehensive income for the year								
		-	-	-	-	(207,801)	-	(207,801)
	3	-	-	-	-	12,235	195,896	208,131
Total comprehensive income for the year								
		-	-	-	-	(195,566)	195,896	330
Transfer to retained earnings (deficit)								
	12	-	-	-	-	53,746	(42,997)	10,749
Balance at 31 December 2020								
		330,475	532,833	27,068	9,649	(97,162)	152,899	955,762

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



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries
Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit (loss) for the year	(238,743)	65,856	(207,801)	72,298
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense (income)	(309)	8,952	(469)	8,690
Depreciation and amortisation	69,793	57,751	64,295	53,174
Interest income	(13,507)	(17,256)	(24,963)	(21,953)
Finance costs	144,609	145,653	143,342	144,132
Unrealised (gain) loss on exchange and others	(3,895)	(5,971)	6,056	(2,772)
Impairment loss recognised in profit or loss (reversal of)	19,525	(16,155)	11,094	(16,154)
Losses on inventories devaluation (reversal of)	53	(568)	161	(137)
Gain on sale of property, plant and equipments				
and investment properties	(2,403)	(40,689)	(2,403)	(40,689)
Employee benefit expenses	27,792	11,189	25,035	10,152
Share of loss from investment in associate	118	93	-	-
	3,033	208,855	14,347	206,741
<i>Changes in operating assets and liabilities</i>				
Trade and other current receivables	100,549	265,017	65,705	303,936
Current contract assets	28,029	180,320	29,319	171,775
Inventories	(91,191)	50,235	(86,259)	37,315
Other current assets	(77,108)	24,957	(72,084)	24,923
Other non-current assets	5,136	(31,556)	5,144	(31,407)
Trade and other current payables	19,385	(232,993)	9,442	(214,560)
Current contract liabilities	(1,463)	409	(1,089)	189
Other current liabilities	9,405	(1,106)	9,719	(2,414)
Provisions for employee benefits	(15,392)	-	(13,822)	-
Net cash flows generated from (used in) operating	(19,617)	464,138	(39,578)	496,498
Taxes received (paid)	555	(8,016)	555	(8,016)
Net cash from (used in) operating activities	(19,062)	456,122	(39,023)	488,482

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



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries
Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Decrease (increase) in restricted deposit at financial institution	25,320	(21,460)	25,860	(21,460)
Decrease (increase) in short-term loans to related parties	111,067	(111,067)	134,813	(184,848)
Proceeds from sale of investment properties	254,802	122,266	254,802	122,266
Proceeds from sale of property, plant and equipment	3,513	5,472	3,513	5,472
Acquisition of non-marketable equity instruments	-	(25,000)	-	(25,000)
Acquisition of subsidiaries	-	-	(999)	-
Acquisition of property, plant and equipment				
and intangible assets	(44,618)	(75,796)	(41,111)	(74,513)
Interest received	786	219	3,838	808
Net cash from (used in) investing activities	350,870	(105,366)	380,716	(177,275)
<i>Cash flows from financing activities</i>				
Increase (decrease) in bank overdrafts and short-term				
loans from financial institutions	20,765	(505,878)	13,231	(492,281)
Increase (decrease) in short-term loans	(74,277)	(488,988)	(74,277)	(469,321)
Interest paid	(144,609)	(150,829)	(143,342)	(144,724)
Payment of lease liabilities	(6,881)	(11,838)	(6,881)	(11,838)
Proceeds of long-term loans	14,404	-	10,955	-
Proceeds from issue of debentures	161,000	815,997	161,000	815,997
Repayment of debentures	(299,009)	-	(299,009)	-
Net cash used in financing activities	(328,607)	(341,536)	(338,323)	(302,167)
Net increase in cash and cash equivalents	3,201	9,220	3,370	9,040
Cash and cash equivalents at 1 January	12,932	3,712	12,671	3,631
Cash and cash equivalents at 31 December	16,133	12,932	16,041	12,671
<i>Supplementary information for cash flows</i>				
Non-cash transactions				
Transfer of short-term loan to long-term loan	213,042	-	213,042	-

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



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

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Cho Thavee Public Company Limited and its Subsidiaries

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 24 February 2021.

1 General information

Cho Thavee Public Company Limited, the “Company”, is incorporated in Thailand, and has its registered office as follows:

Head office	265 Moo 4, Klang Muang Road, Tambol Muang Khao, Amphur Muang, Khon Kaen
Branch 1	96/25 Moo 3, Vibhavadi-Rangsit Road, Talad Bang Khen District, Lak-Si, Bangkok
Branch 2	66/5 Moo 2, Tambol Pong, Amphur Banglamung, Chonburi
Branch 3	62/25 Moo 2, Tambol Lam Sai, Amphur Wang Noi, Ayutthaya
Branch 4	37/30 Moo 1, Tambol Nong Kham, Amphur Sriracha, Chonburi

The Company was listed on the Market for Alternative Investment (MAI) on 13 May 2013.

The Company’s major shareholder during the financial period was Mr. Suradech Taweesaengsakulthai.

The principal business operations of the Company and subsidiaries are engaged in manufacturing, selling and providing service of trailer assembly, vehicles and special equipment. Details of the Company’s subsidiaries as at 31 December 2020 and 2019 were as follows:

Name of the entity	Type of Business	Ownership interest (%)	
		31 December 2020	31 December 2019
<i>Direct subsidiaries</i>			
Cho Thavee Thermo Tech Co., Ltd.	Manufacturing, fabrication, assembly for panel and container	99.99	99.99
Amornrattanakosin Co., Ltd.	Public transportation	99.97	99.97

The above direct subsidiaries were incorporated in Thailand.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies.

The Group has initially applied TFRS - Financial instruments standards which comprise TFRS 9 Financial Instruments and relevant standards and interpretations and TFRS 16 Leases and disclosed impact from changes to significant accounting policies in note 3.

Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

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For the year ended 31 December 2020

In addition, the Group has not early adopted a number of new and revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Functional and presentation currency

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

(c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

4(k) and 13	Leases:
	- whether an arrangement contains a lease;
	- whether the Group is reasonably certain to exercise extension options;
	- whether the Group exercise termination options.
4(t) and 18	Revenue recognition whether revenue from sales of made-to-order products is recognised over time or at a point in time;
5	Impact of COVID-19 Outbreak

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

4(k)	Determining the incremental borrowing rate to measure lease liabilities;
5	Impact of COVID-19;
15	Measurement of defined benefit obligations: key actuarial assumptions;
24	Measurement of ECL allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate;
24	Determining the fair value of financial instruments on the basis of significant unobservable inputs.

(d) Use of going concern basis of accounting

The Group and the Company incurred net loss of Baht 238.7 million and Baht 207.8 million for the year ended 31 December 2020, and as of that date, the Group and the Company had deficits in amount of Baht 112.9 million and Baht 97.2 million and the current liabilities exceed current assets of Baht 352.7 million and Baht 243.8 million, respectively. The Group's operation was and may continue to be significantly affected in the future by the economic uncertainty resulting from the spread of COVID-19. These circumstances indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

The management is closely monitoring and managing the situation to ensure sufficient and constant revenue and cash flow for operation as well as to support the Group's liquidity. The Group management is confident that the Group and the Company will continue to meet their funding needs for the foreseeable future. The consolidated and separate financial statements have been prepared by Group's and Company's management on the going concern basis on the assumption that such further capital and facilities are secured to the extent that Group's operations and the Company's operations require. Accordingly, the consolidated and separate financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to amounts and classifications of liabilities that may be necessary if the Group and the Company is unable to continue as a going concern.

3 Changes in accounting policies

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards, TFRS 16 and change in land recognition accounting policy in property, plant and equipment from cost method to revaluation method and change in land recognition accounting policy in investment property from cost method to fair value method because such methods provided more relevant information for business decision making and to reflect the realistic value of the land. Impact of changes in accounting policies on the beginning balance of shareholders' equity are as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Impact on retained earnings		
At 31 December 2019 - as reported	73,034	57,144
Decrease due to:		
Adoption of TFRS - Financial instruments standards		
Impairment losses on financial assets	(14,123)	(12,486)
At 1 January 2020 - restated	58,911	44,658

(a) TFRS - Financial instruments standards

The Group has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings on 1 January 2020. Therefore, the Group did not adjust the information presented for 2019. The disclosure requirements of TFRS for financial instruments have not generally been applied to comparative information.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS - Financial instruments standards are as follows:

(a.1) Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification is based on the cash flow characteristics of the financial asset and the business model in which they are managed. However, the Group may, at initial recognition, irrevocably designate a financial asset as measured at FVTPL. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

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Cho Thavee Public Company Limited and its Subsidiaries

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For the year ended 31 December 2020

Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. Previously, the Group recognised interest income and interest expenses at the rate specified in the contract. However, there is no material impact on the initial adoption.

Applying TFRS 9 does not have significant impact on classification and measurement of financial assets and liabilities as they are classified and measured at amortised cost which are approximate to carrying amount. Items that are classified and measured by other means:

- Derivatives are measured at FVTPL.
- Non-marketable equity securities which the Group has designated them as measured at FVOCI because it is intended for the long-term strategic purposes. The accumulated gain (loss) on measurement of these investments will not be subsequently reclassified to profit or loss.

(a.2) Impairment - Financial assets and contract assets

TFRS 9 introduces the 'expected credit loss' (ECL) model whereas previously the Group estimated the allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost, contract assets, lease receivables and debt investments measured at FVOCI, except for investments in equity instruments.

The Group has determined that the application of TFRS 9's impairment requirements at 1 January 2020 results in an additional allowance for impairment loss as follows:

	Consolidated financial statements (in thousand Baht)	Separate financial statements
Allowance for impairment losses at 31 December 2019		
Allowance for doubtful debts - trade accounts receivables	2,450	1,474
<i>Additional impairment loss recognised: at 1 January 2020 on</i>		
- Trade accounts receivables	13,784	11,662
- Contract assets	339	332
- Loan to subsidiaries	-	491
Allowance for impairment losses at 1 January 2020	16,573	13,959

The Group has opted to recognise the increase of impairment loss as an adjustment to retained earnings as at 1 January 2020.

(b) TFRS 16 Leases

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 Leases and TFRIC 4 Determining whether an arrangement contains a lease using the modified retrospective approach.

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Cho Thavee Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

Previously, the Group, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 January 2020, the Group and the Company recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

On transition, the Group also elected to use the practical expedients by applying a single discount rate to a portfolio of leases with similar characteristics.

	Consolidated financial statements (in thousand Baht)	Separate financial statements
Impact from the adoption of TFRS 16		
At 1 January 2020		
Increase in right-of-use assets	50,502	50,502
Increase in lease liabilities	(48,664)	(48,664)
Decrease in prepaid expense	(1,838)	(1,838)

Incremental borrowing rate as at 1 January 2020 was at rate 6.75% per annum.

The right-of-use assets mainly increased in the revenue from service segment.

(c) Change in land recognition accounting policy

The Group has changed land recognition accounting policy in property, plant and equipment from cost method to revaluation method and change in land recognition accounting policy in investment property from cost method to fair value method from 1 January 2020 because such methods provided more relevant information for business decision making and to reflect the realistic value of the land. Impact on the financial statements are as follows;

	Consolidated financial statements (in thousand Baht)	Separate financial statements
Increase from land revaluation	246,061	244,870
Gain on revaluation of assets before tax	246,061	244,870
Increase in deferred tax liabilities	49,212	48,974

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries and joint operations (together referred to as the "Group") and the Group's interests in associates.



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

Subsidiaries

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

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

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

Interests in equity - accounted investees

The Group's interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

A joint operation is a joint arrangement whereby the Group has right to the assets and obligation for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate financial caption.

The Group has assessed the nature of its joint arrangements and determined them to be joint operations.



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

(c) Financial instruments

Accounting policies applicable from 1 January 2020

(C.1) Recognition and initial measurement

Trade receivables, debt securities issued and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

(C.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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Cho Thavee Public Company Limited and its Subsidiaries

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For the year ended 31 December 2020

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - business model assessment

The Group makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed and;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).



Financial statements

Cho Thavee Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

Financial assets – subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(C.3) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.



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Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(C.4) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(C.5) Derivatives

Derivative are recognised at fair value. At the end of each reporting period the fair value is measured.

Accounting policies applicable before 1 January 2020

Investments in other equity securities

Equity securities which are not marketable are stated at cost less any impairment losses.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of 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 value of the total holding of the investment.

Derivatives

Derivatives were recognised when they were exercised.

(d) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents.



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(e) Trade and other accounts receivable and contract assets

A receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is measured at transaction price less allowance for expected credit loss (2019: allowance for doubtful accounts) which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

Contract assets are measured at the amount of consideration that the Group is entitled to, less impairment losses.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost is calculated using standard cost adjusted to approximate average cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(g) Investments in associates and subsidiaries

Investments in associates and subsidiaries in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

If the Group disposes of 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 value of the total holding of the investment.

(h) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost on initial recognition and subsequently at fair value, with any change recognised in profit or loss.



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When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss. When investment property that was previously classified as property, plant and equipment is sold (see Note 4(i)), the amounts included in the revaluation reserve are transferred to retained earnings.

Accounting policies applicable before 1 January 2020

Investment properties are measured at cost less accumulated depreciation and impairment losses.

(i) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses except for lands which are measured at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss. When there is a disposal of revalued assets, the amount recognised in revaluation reserve is reclassified to retained earnings.

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.



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Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation reserve in equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. Upon disposal of a revalued asset, any related revaluation reserve is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Property that is being constructed for future use as investment property is accounted for at fair value. Any gain arising on remeasurement is recognised in profit or loss to the extent the gain reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognised in other comprehensive income and presented in the revaluation reserve in equity to the extent that an amount had previously been included in the revaluation reserve relating to the specific property, with any remaining loss recognised immediately in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvement	5 years
Buildings and other constructions	20 years
Machinery and equipment	5 years
Furniture, fixtures and office equipment	5 years
Vehicles	5-10 years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted as appropriate.

(j) Intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.



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Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are approximately 10 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted as appropriate.

(k) Leases

Accounting policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable, amount under purchase, extension or termination option if the Group is reasonably certain to exercise option. Variable lease payments that do not depend on index or a rate are recognised as expenses in the accounting period in which they are incurred.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.



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The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in property, plant and equipment, and lease liabilities in 'long-term loan' in the statement of financial position.

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognises lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of 'rental income'. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

The Group applies the derecognition and impairment requirements in TFRS 9 to the net investment in the lease (See note 4(1)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

Accounting policies applicable before 1 January 2020

As a lessee, leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

As a lessor, rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.



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(I) Impairment of financial assets

Accounting policies applicable from 1 January 2020

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables, loans to others and related parties) and contract assets which are not measured at FVTPL.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in financial instruments' credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.



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ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 90 days past due, probable the debtor will enter bankruptcy.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Accounting policies applicable before 1 January 2020

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount in profit or loss.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

Reversal of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.



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(m) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, as if no impairment loss had been recognised.

(n) Contract liabilities

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

(o) Employee benefits

Defined contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.



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Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) Share-based payments

The group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for options of the Group (or its shareholders). The fair value of the employee services received in exchange for the grant of the options is recognised as an expense in the statement of comprehensive income and other reserve in the shareholder's equity. The total amount to be expensed is determined by reference to the fair value of the options on the date that the Group (or its shareholders) expresses their desires.

When the options are exercised, the Group issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(q) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.



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(r) *Measurement of fair values*

‘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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as ‘active’ if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3*: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(s) *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.



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(t) *Revenue*

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue from contracts

Revenue from contracts comprise initial amount agreed in the contract plus contract modification, claims and incentive payments to the extent probable that they will generate revenue and can be measured reliably. When the work progress can be measured reliably, revenue and cost from contract will be recognised based on percentage of completion - cost to cost method, over time in profit or loss. Costs incurred during the year as related to future activities are presented as inventories.

Revenue from sale of goods and services

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Revenue from services is recognised over time based on stage of completion. The stage of completion is assessed based on cost-to-cost method. The related costs are recognised in profit or loss when they are incurred.

Other income

Other income comprises dividend, interest income and others. Dividend income is recognised in profit or loss on the date on which the Group’s right to receive payment is established.

(u) *Interest*

Accounting policies applicable from 1 January 2020

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Accounting policies applicable before 1 January 2020

Interest income is recognised in profit or loss at the rate specified in the contract.



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Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(v) *Income tax*

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.



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(w) *Earnings per share*

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential instruments.

(x) *Related parties*

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(y) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly selling, administrative, finance and other costs.

5 Impact of COVID-19 Outbreak

Due to the COVID-19 outbreak at the beginning of 2020, Thailand and many other countries have enacted several protective measures against the pandemic, e.g. the order to temporarily shut down operating facilities or reduce operating hours, social distancing, etc. This has significantly affected world economy, production, supply chain of goods and business operation of many entities in wide areas.

At 31 December 2020, the situation of COVID-19 outbreak was still ongoing, resulting in estimation uncertainty on the potential impact, therefore, the Group elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 outbreak on the following:

(a) *Impairment of assets*

The Group considered impairment of trade accounts receivables under provision matrix using historical loss rate and did not take forward-looking information into account.

(b) *Fair value measurement*

The Group elected to measure investment in non-marketable equity securities at 31 December 2020 using fair values at 1 January 2020.

The Group elected to exclude the factor of COVID-19 situation, which may affect future financial forecast, in fair value measurement technique of land, therefore, the Group used the latest appraised value on as fair value.

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6 Related parties

Related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
Mr. Suradech	Thailand	A major shareholder and director
Taweesaengsakulthai	Thailand	A major shareholder, 44.17% shareholding of the Company and persons having authority and responsibility for planning, directing and controlling the activities of entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Taweesaengsakulthai family	Thailand	
Cho Thavee Thermo Tech Co., Ltd.	Thailand	A subsidiary and/or common director
Amornrattanakosin Co., Ltd.	Thailand	A subsidiary and/or common director
KLRT Co., Ltd.	Thailand	An associate and/or common director
Joint Operation JVCC	Thailand	Joint operations
Joint Operation Lekise & Cho Thavee	Thailand	Joint operations (Currently, there is no operation and in the process of business liquidation)
Joint Operation JVCKK	Thailand	Joint operations (Currently, there is no operation and in the process of business liquidation)
Joint Operation JVOPV	Thailand	Joint operations
Joint Operation CKKM	Thailand	Joint operations
Joint Operation SCN-CHO	Thailand	Joint operation between the Company and other joint operator, it has Company's management as director
Thaveeseangthai Co.,Ltd.	Thailand	A related party, shareholding by the major shareholder and common director
Bangkok CTV. Intertrade Co., Ltd.	Thailand	A related party, shareholding by the major shareholder and common director
Khon Kaen Cho Thavee (1993) Co., Ltd.	Thailand	A related party, shareholding by the major shareholder and common director
A P S Multi-Trade Co., Ltd.	Thailand	A related party, shareholding by the major shareholder and common director
O J Development Co., Ltd.	Thailand	A related party, shareholding by the major shareholder and common director
Cho Ruamthavee (Laksi) Co., Ltd.	Thailand	A related party, shareholding by the major shareholder and common director
Khon Kaen City Development (KKTT) Co., Ltd.	Thailand	A related party, shareholding by the major shareholder and common director
Ruamthavee Motor Sales Co., Ltd.	Thailand	A related party and common director
Ruamthavee Khonkaen Co., Ltd.	Thailand	A related party and common director
Cho Ruamthavee Leasing and Real Estate Co., Ltd.	Thailand	A related party and common director
Tang Hua Singh Nakhonpathom Ltd., Partnership	Thailand	A related party and common partnership
German Truck and Bus Co., Ltd. (Former Volrep Truck and Bus Co., Ltd.)	Thailand	A related party and common shareholder

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Name of entities	Country of incorporation	Nature of relationships
Iphon Logistics Co., Ltd.	Thailand	A related party, shareholding by the major shareholder and common director
Thaveesaengthai Nongrue Rice Mill Ltd., Partnership	Thailand	A related party and common director
KKTT Holding Co., Ltd.	Thailand	A related party, shareholding by the major shareholder and common director

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Revenue from contract	Mutually agreed contract price
Revenue from sales and services	Mutually agreed contract price
Management, rental and other income	Mutually agreed contract price
Purchase of raw materials	Mutually agreed contract price
Purchase and sale of property, plant and equipment and intangible asset	Mutually agreed contract price
Management, rental and other expenses	Mutually agreed contract price
Interest income and interest expense	Interest income at rates of 7-7.5% per annum Interest expense at rates of 7% per annum

Significant transactions for the years ended 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
Year ended 31 December	2020	2019	2020	2019
	(in thousand Baht)			
Subsidiaries				
Revenue from contract	-	-	-	1,509
Revenue from sales and services	-	-	1,576	7,494
Management income	-	-	1,702	1,325
Rental income	-	-	1,729	2,185
Interest income	-	-	12,982	12,030
Other income	-	-	2,124	3,054
Purchase of raw materials	-	-	8,271	16,268
Person or other related parties				
Revenue from contract	-	341,067	-	326,459
Revenue from sales and services	63,558	65,663	63,558	65,663
Management income	-	2,980	-	2,980
Rental income	360	487	360	487
Interest income	19,013	13,197	12,071	8,250
Purchase of raw materials	26,818	43,863	26,818	43,855
Rental expense	1,812	1,560	1,560	1,560
Interest expense	-	2,699	-	2,515
Administrative and other expense	561	4,143	561	4,143
Key management personnel				
Key management personnel compensation				
Short-term management benefits	12,670	20,446	12,670	20,446
Long-term management benefits	1,175	1,432	1,175	1,432

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Balances as at 31 December with person or related parties were as follows:

Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Subsidiaries	-	-	-	3,597
Related party				
- Khon Kaen Cho Thavee (1993) Co., Ltd.				
: Current	40,800	-	27,540	-
: Non - Current	153,649	221,604	97,719	140,871
Other related parties	12,980	32,232	12,980	32,223
	207,429	253,836	138,239	176,691
Less allowance for expected credit loss (2019: allowance for doubtful accounts)	(774)	-	(565)	-
Net	206,655	253,836	137,674	176,691

During January 2020, the Group made a mutual memorandum with Khon Kaen Cho Thavee (1993) Co., Ltd. for the monthly repayments of the outstanding receivables as follows;

- Repayments for the Company, Baht 2.3 million per month for the period of 71 months with the final payment of Baht 4.52 million.
- Repayments for Cho Thavee Thermo Tech Co., Ltd. (subsidiary), Baht 1.1 million per month for the period of 71 months with the final payment of Baht 2.27 million.

Furthermore, the Group will receive interest on default in addition at rate of 7.5% per annum of the outstanding receivables. Khon Kaen Cho Thavee (1993) Co., Ltd. has an option to repay the entire amount of receivables prior to completing the repayment schedule. The accrued interest from default is presented in the account of trade and other current receivables in the statement of financial position.

Other receivables

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Subsidiaries	-	-	36,551	20,279
Accrued interest - Khon Kaen Cho Thavee (1993) Co., Ltd.	38,846	14,090	26,162	14,090
Other related parties	11,261	25,092	11,261	12,877
Net	50,107	39,182	73,974	47,246

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Short-term loans to person or related parties

	Interest rate (% per annum)	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		(in thousand Baht)			
Director					
Mr. Suradech Taweesaengsakulthai	8	-	111,067	-	-
Subsidiary					
Subsidiary - Cho Thavee Thermo Tech Co., Ltd.	7	-	-	132,533	267,718

During 2019, the subsidiary has entered into a loan agreement with a director for loan facility line of Baht 120 million with interest at rate of 8% per annum. As of 31 December 2019, the loans to director had outstanding balance totaling Baht 111 million. The Director affirmed the objective of the loan to be used in project relating to main business activities of the Group in which the group will benefit from project's success. Loans to director of Baht 111 million was fully repaid during the year ended 31 December 2020.

Movements of loans to person or related parties for the year ended 31 December 2020 and 2019 were as follows;

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Director				
At 1 January	111,067	-	-	-
Increase	-	154,005	-	-
Decrease	(111,067)	(42,938)	-	-
At 31 December	-	111,067	-	-
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Subsidiaries				
At 1 January	-	-	267,718	82,870
Increase	-	-	70,242	312,744
Decrease	-	-	(205,157)	(127,896)
Less allowance for expected credit loss	-	-	(270)	-
At 31 December	-	-	132,533	267,718

Trade and other accounts payables

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Subsidiaries	-	-	497	3,584
Person or other related parties	7,659	9,087	7,659	9,087
Total	7,659	9,087	8,156	12,671

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Significant agreements with person or other related parties

As at 31 December 2020, agreements with related parties are as follows:

- (A) The Company has a rental agreement with Khon Kaen Cho Thavee (1993) Co., Ltd. to rent a parking space for transportation service at the agreed rental rate. The contract has a period of 3 years and will be due in November 2021.
- (B) The Company has an office rental agreement with the Company's director. The contract can be extended annually unless both parties agree for cancellation in written notice.
- (C) The Company has an office rental agreement with a subsidiary for a period of 4 years and will be due in July 2022.
- (D) The Company has an office rental agreement with a subsidiary for a period of 3 years and will be due in December 2021.
- (E) The Company has a management agreement with a subsidiary to provide operational assistance service and advice for business.
- (F) The Company has a contract with Khon Kaen Cho Thavee (1993) Co., Ltd. to obtain joint credit facility line from a financial institution in amount of Baht 70 million by placing land of Khon Kaen Cho Thavee (1993) Co., Ltd. with a carrying amount of Baht 101 million as guarantee with financial institution. The Company agreed to pay fee to Khon Kaen Cho Thavee (1993) Co., Ltd. in amount of Baht 0.6 million per year.
- (G) The Company has a short-term loan agreement with a subsidiary with credit line of Baht 270 million, bearing interest rate at 7% per annum and is repayable at call.

7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Cash on hand	1,854	365	1,787	296
Cash at banks - current accounts	7,824	12,388	7,799	12,196
Cash at banks - savings accounts	6,455	179	6,455	179
Total	16,133	12,932	16,041	12,671

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8 Inventories

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Finished goods	21,773	22,140	21,680	22,048
Work in progress	470,574	375,356	462,028	366,674
Raw materials	229,802	245,199	190,986	212,016
Store supplies	12,510	12,829	11,905	12,152
Goods in transit	19,356	7,299	19,356	6,806
Total	754,015	662,823	705,955	619,696
Less allowance for decline in value	(10,630)	(10,576)	(9,847)	(9,686)
Net	743,385	652,247	(696,108)	610,010

9 Investment in associate

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>For the year ended 31 December</i>				
As at 1 January	2,459	2,552	2,818	2,818
Share of loss from investment in associate	(118)	(93)	-	-
As at 31 December	2,341	2,459	2,818	2,818

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Investment in associate as at 31 December 2020 and 2019, and dividend income for the year ended 31 December 2020 and 2019 were as follows;

	Consolidated financial statements					Separate financial statements				
	Ownership interest 2020 (%)	Ownership interest 2019 (%)	Paid-up capital 2020	Paid-up capital 2019	Cost 2020	Cost 2019 (in thousand Baht)	Equity 2020	Equity 2019	Dividend income for the year ended 31 December 2020	Dividend income for the year ended 31 December 2019
Associate KLRT Company Limited	49	49	5,750	5,750	2,818	2,818	2,341	2,459	-	-
Associate KLRT Company Limited	49	49	5,750	5,750	2,818	-	2,818	2,818	-	-

None of the Group's associate is publicly listed and consequently do not have published price quotation.

Associate was incorporated and operate in Thailand.

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10 Joint operation

In 2017, the Company entered into an agreement with a company, considering as other joint operator to establish a joint operation of “Joint Venture SCN-CHO” (“SCN-CHO”) to deliver 489 NGV buses and provide repair and maintenance services for a period of 10 years commencing from when each bus starts operating to Bangkok Mass Transport Authority (“BMTA”). According to the agreement, the Company shares 50% of the profit or loss of the joint operation. The joint venture paid deposit as a guarantee for the agreement, on behalf of SCN-CHO, Baht 426 million (portion of the Company is Baht 213 million). The deposit is classified under non-current assets in the statement of financial position.

Assets and liabilities of the joint operation as at 31 December as follows:

	Consolidated / Separate financial statements	
	2020	2019
	(in thousand Baht)	
Current assets	24,186	26,623
Non-current assets	213,042	213,042
Current liabilities	(2,777)	(217,401)
Non-current liabilities	(213,042)	-
Total net assets	21,409	22,264

Income and expenses of the joint operation which are included in statement of comprehensive income for the year ended 31 December as follows:

	Consolidated / Separate financial statements	
	2020	2019
	(in thousand Baht)	
Income	76,283	312,490
Expenses	(76,765)	(274,020)
Profit (loss) for the year	(482)	38,470

Investments in subsidiaries as at 31 December 2020 and 2019, and dividend income for the year ended 31 December 2020 and 2019 were as follows:

	Ownership interest 2020 2019 (%)	Separate financial statements				Dividend income for the year ended 31 December	
		Paid-up capital		Cost		2020	2019
		2020	2019	2020	2019		
Subsidiaries							
Cho Thavee Thermo Tech Co., Ltd.	99	20,000	20,000	22,600	22,600	-	-
Amornrattanakosin Co., Ltd.	99	1,999	1,000	1,999	1,000	-	-
				24,599	23,600	-	-

During the year ended 31 December 2020, the Company invested in Amornrattanakosin Co., Ltd. in addition of approximate Baht 1 million.

All subsidiaries were incorporated and mainly operate in Thailand.

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12 Investment property

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Cost				
At 1 January	-	81,577	-	81,577
Reclassification from property, plant and equipment	353,128	-	335,899	-
Reclassification to property, plant and equipment	-	(2,266)	-	(2,266)
Disposal	(254,800)	(79,311)	(254,800)	(79,311)
Loss on fair value adjustments	(9,288)	-	(9,289)	-
As at 31 December	89,040	-	71,810	-

During 2020, the Company sold investment property which was land to other party with the carrying amount of Baht 254.8 million. The Company received in total amount and transferred gain on revaluation reserve related to the sold property in amount of Baht 43 million to retained earnings.

During 2019, the Company sold investment property which was land to other party with the carrying amount of Baht 79.3 million. The Company received in total amount and recorded as gain on sale of asset of Baht 40.7 million in the account of other income in the statement of comprehensive income.

The fair value of investment property was appraised by an independent appraiser using open market values on an existing use basis and was rated at Level 3 in a fair value measurement hierarchy.

Valuation technique	Significant Unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<i>Market value approach</i>	The adjusted quoted price and the actual selling price of comparable investment properties adjusted with other different factors.	The estimated fair value increases (decreases) if land price increases (decreases).

13 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during year ended 31 December were as follows:

	Consolidated financial statements					
	Land and land improvement	Building and other construction	Machinery and factory equipment	Office furniture, fixtures and equipment (in thousand Baht)	Vehicle	Assets under construction and installation
Cost						Total
At 1 January 2019	371,094	376,160	191,402	25,373	109,966	1,435,400
Additions	2,266	7,056	6,883	3,967	3,470	63,943
Transfers	-	-	786	16,054	-	-
Disposals	-	-	(37,932)	(1,116)	(853)	(39,915)
At 31 December 2019 and 1 January 2020	373,360	383,216	161,139	44,728	112,583	1,459,428
Recognition of right-of-use asset on initial application of TFRS 16 (see note 3(b))	50,502	-	-	-	-	50,502
At 1 January 2020 - as adjusted	423,862	383,216	161,139	44,278	112,583	1,509,930
Transfer to investment property	(353,128)	-	-	-	-	(353,128)
Additions	-	660	15,785	889	4,053	44,619
Surplus on revaluation	246,062	-	-	-	-	246,062
Transfers	-	2,638	293	86	17,316	-
Disposals	-	-	(1,734)	(140)	-	(1,874)
At 31 December 2020	316,796	386,514	175,483	45,113	133,952	1,445,609
Depreciation						
At 1 January 2019	4,319	126,569	139,441	17,095	50,112	337,536
Depreciation charge for the year	78	18,292	17,089	3,874	12,926	52,259
Disposals	-	-	(37,846)	(652)	(594)	(39,092)
At 31 December 2019 and 1 January 2020	4,397	144,861	118,684	20,317	62,444	350,703
Depreciation charge for the year	7,563	18,631	19,542	6,571	13,428	65,735
Disposals	-	-	(627)	(137)	-	(764)
At 31 December 2020	11,960	163,492	137,599	26,751	75,872	415,674

	Consolidated financial statements					
	Land and land improvement	Building and other construction	Machinery and factory equipment	Office furniture, fixtures and equipment (in thousand Baht)	Vehicle	Assets under construction and installation
Net book value						Total
At 31 December 2019						
Owned assets	368,963	238,355	42,455	23,961	14,582	1,073,168
Assets under finance leases	-	-	-	-	35,557	35,557
	368,963	238,355	42,455	23,961	50,139	1,108,725
At 1 January 2020 - as adjusted						
Owned assets	368,963	238,355	42,455	23,961	14,582	1,073,168
Right-of-use assets	50,502	-	-	-	35,557	86,059
	419,465	238,355	42,455	23,961	50,139	1,159,227
At 31 December 2020						
Owned assets	261,818	223,022	37,884	18,362	28,929	957,766
Right-of-use assets	43,018	-	-	-	29,151	72,169
	304,836	223,022	37,884	18,362	58,080	1,029,935



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	Land and land improvement	Building and other construction	Machinery and factory equipment	Office furniture, fixtures and equipment (in thousand Baht)	Vehicle	Assets under construction and installation	Total
Cost							
At 1 January 2019	353,483	321,190	142,934	24,509	108,465	361,391	1,311,972
Additions	2,266	7,056	6,377	3,812	3,470	39,679	62,660
Transfers	-	-	786	16,054	-	(16,840)	-
Disposals	-	-	(446)	(770)	(853)	-	(2,069)
At 31 December 2019 and 1 January 2020	355,749	328,246	149,651	43,605	111,082	384,230	1,372,563
Recognition of right-of-use asset on initial application of TFRS 16 (see note 3(b))	50,502	-	-	-	-	-	50,502
At 1 January 2020 - as adjusted	406,251	328,246	149,651	43,605	111,082	384,230	1,423,065
Transfer to investment property	(335,899)	-	-	-	-	-	(335,899)
Additions	-	660	14,487	889	4,053	21,022	41,111
Surplus on revaluation	244,871	-	-	-	-	-	244,871
Transfers	-	2,638	293	86	17,316	(20,333)	-
Disposals	-	-	(1,734)	(140)	-	-	(1,874)
At 31 December 2020	315,223	331,544	162,697	44,440	132,451	384,919	1,371,274
Depreciation							
At 1 January 2019	3,841	110,126	94,572	16,382	48,611	-	273,532
Depreciation charge for the year	-	15,543	15,467	3,792	12,926	-	47,728
Disposals	-	-	(375)	(291)	(594)	-	(1,260)
At 31 December 2019 and 1 January 2020	3,841	125,669	109,664	19,883	60,943	-	320,000
Depreciation charge for the year	7,484	15,883	16,989	6,488	13,428	-	60,272
Disposals	-	-	(627)	(137)	-	-	(764)
At 31 December 2020	11,325	141,552	126,026	26,234	74,371	-	379,508



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	Land and land improvement	Building and other construction	Machinery and factory equipment	Office furniture, fixtures and equipment (in thousand Baht)	Vehicle	Assets under construction and installation	Total
Net book value							
At 31 December 2019							
Owned assets	351,908	202,577	39,987	23,722	14,583	384,230	1,017,007
Assets under finance leases	-	-	-	-	35,556	-	35,556
	351,908	202,577	39,987	23,722	50,139	384,230	1,052,563
At 1 January 2020 - as adjusted							
Owned assets	351,908	202,577	39,987	23,722	14,583	384,230	1,017,007
Assets under finance leases	50,502	-	-	-	35,556	-	86,058
	402,410	202,577	39,987	23,722	50,139	384,230	1,103,065
At 31 December 2020							
Owned assets	260,880	189,992	36,671	18,206	28,929	384,919	919,597
Right-of-use assets	43,018	-	-	-	29,151	-	72,169
	303,898	189,992	36,671	18,206	58,080	384,919	991,766

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The gross amount of the Group and the Company's fully depreciated plant and equipment that was still in use as at 31 December 2020 amounted to Baht 174.60 million and Baht 161.73 million, respectively. (2019: Baht 129.11 million and Baht 122.16 million).

As at 31 December 2020, the Group and the Company had land in amount of Baht 297.5 million and Baht 280.2 million, respectively (presented under investment property in amount of Baht 64.9 million and Baht 17.2 million, respectively) pledged as collateral for credit facilities with financial institutions.

The valuation techniques and significant unobservable inputs used in measuring the revaluation method of land were the same as applied to land recorded under investment property at the reporting date (see note 12).

Right of use of assets as a lessee

	Consolidated financial statements	Separate financial statements
	(in thousand Baht)	
At 31 December 2020		
Right-of-use assets		
Land	43,018	43,018
Total	43,018	43,018

During 2020, there's no significant increase in right-of-use assets of the Group and the Company.

The Group leases several rental spaces for periods of 3-10 years, with extension options at the end of lease term. The rental fee is fixed and is repayable monthly as specified in the contract.

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
For the year ended 31 December				
Amounts recognised in profit or loss				
Depreciation of right-of-use assets:				
- Land	7,484	-	7,484	-
Interest on lease liabilities	1,369	-	1,369	-

In 2020, total cash outflow for leases of the Group and the Company were Baht 6.9 million.

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14 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Current				
Bank overdrafts and short-term loans from financial institutions				
- Unsecured	592,683	571,918	567,848	554,617
Short-term loans				
- Secured	10,827	-	10,827	-
- Unsecured	-	298,146	-	298,146
Current portion of long-term loans				
- Secured	25,350	24,900	24,900	24,900
- Unsecured	7,750	-	7,000	-
Current portion of finance lease liabilities	4,546	11,427	4,546	11,427
Current portion of debenture	931,754	299,035	931,754	299,035
Total current	1,572,910	1,205,426	1,546,875	1,188,125
Non-current				
Long-term loans				
- Secured	2,249	-	-	-
- Unsecured	219,747	-	216,997	-
Lease liabilities				
(2019: Finance lease liabilities)	43,139	1,300	43,136	1,300
Debenture	70,610	841,337	70,610	841,337
Total non-current	335,745	842,637	330,743	842,637

Details of interest-bearing liabilities as at 31 December 2020 were as follows:

- Unsecured bank overdrafts and short-term loans from financial institutions bear interest at rates of 3.97 - 7.50% per annum.
- Secured short-term loans from other parties bear interest at rate of 9% per annum, the loans are repayable within July 2021.
- Long-term loans
 - : Secured portion, bear interest at rates of 2 - 11.5% per annum, the loans are repayable within April 2025.
 - : Unsecured portion, bear interest at rates of 2 - 12% per annum, the loans are repayable within January 2023.

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Debentures

Consolidated financial statements		Separate financial statements	
2020	2019	2020	2019
(in thousand Baht)			

1) The unsubordinated, unsecured long-term debenture 201,100 units at par value of Baht 1,000 per unit. Interest was carried at fixed rate of 6.5% per annum, repaying quarterly. Debenture holds a lifespan of 2 years and matured in September 2020.

: Current - 199,035 - 199,035

2) The unsubordinated, secured short-term debenture with the remaining 100,000 units at par value of Baht 1,000 per unit. Interest was carried at the fixed rate of 7.25% per annum and has continuously renewed the debenture agreement. On 18 June 2020, the debenture has been renewed for another 183 days, and it was matured in December 2020. The Company's shares held by a director and the Company's land were used as collateral.

: Current - 100,000 - 100,000

3) The unsubordinated and unsecured long-term debenture;

3.1) 545,300 units at par value of Baht 1,000 per unit. Interest was carried at fixed rate of 6.75% per annum, repaying quarterly lifespan of 2 years and will be matured in February 2021

: Current 544,880 - 544,880 -
: Non-current - 542,812 - 542,812

3.2) 300,000 units at par value of Baht 1,000 per unit. Interest was carried at fixed rate of 7% per annum, repaying quarterly, lifespan of 2 years and will be matured in October 2021.

: Current 296,874 - 296,874 -
: Non-current - 298,525 - 298,525

3.3) 71,000 units at par value of Baht 1,000 per unit. Interest was carried at fixed rate of 7% per annum, repaying quarterly, and lifespan of 2 years and will be matured in September 2022.

: Non-current 70,610 - 70,610 -

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Debentures

Consolidated financial statements		Separate financial statements	
2020	2019	2020	2019
(in thousand Baht)			

4) The unsubordinated, secured short-term debenture. Interest was carried at the fixed rate of 6% per annum, repaying monthly, lifespan of 6 months and will be matured in June 2021.

: Current	90,000	-	90,000	-
Total	1,002,364	1,140,372	1,002,364	1,140,372
Less current portion	(931,754)	(299,035)	(931,754)	(299,035)
Non-current portion - net	70,610	841,337	70,610	841,337

Newly issued debentures during 2020 are as follows;

- The unsubordinated, unsecured debenture with name registered with bond holders' representative offering to institution investors and High Net Worth with 71,000 units at par value of Baht 1,000 per unit totalling Baht 71 million. Interest was carried at fixed rate of 7% per annum, repaying quarterly. Debenture holds a lifespan of 2 years and will be matured in September 2022.
- The unsubordinated, secured short-term debenture amounting to Baht 90 million. Interest was carried at the rate of 6% per annum, repaying monthly, lifespan of 6 months and will be matured in June 2021.

Secured interest-bearing liabilities as at 31 December 2020 and 2019 were secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
(in thousand Baht)				
Deposit at financial institution	37,540	62,860	34,000	59,860
Land	297,461	317,608	280,232	301,569
Buildings	58,979	78,631	58,979	78,631
Total	393,980	459,099	373,211	440,060

As at 31 December 2020, the Group has unused credit facilities from financial institutions amounting to totalling Baht 435 million (31 December 2019: Baht 678.5 million).

As the Company and Scan Inter Public Company Limited ("SCN") entered into a Joint Operation agreement for the purchase of air-conditioned buses using natural gas fuel (NGV) including repair and maintenance of 489 buses in 2017, Joint Operation SCN-CHO obtained borrowing from SCN to place as a bus security deposit in amount of Baht 426 million (representing a portion of the Group of Baht 213 million) to the Bangkok Mass Transit Authority. Under the agreement, the placing of bus security deposit will have a period of 10 years from 27 December 2017 onwards. The Bangkok Mass Transit Authority will return the bus security deposit without interest to Joint Operation SCN-CHO within 15 days from the date that the Joint Operation SCN-CHO is released from the bus purchase agreement.

On 30 September 2020, the Group made a mutual memorandum that Joint Operation SCN-CHO will return the bus security deposit together with compensation to SCN within 15 days from the date that Joint Operation SCN-CHO receives the bus security deposit back from the Bangkok Mass Transit Authority. Therefore, the Group classified the loan of Baht 213 million as non-current, as at 31 December 2020.

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15 Provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Termination benefits	14,837	-	13,390	-
Defined benefit plan	14,712	33,622	14,041	31,512
Total	29,549	33,622	27,431	31,512

Termination benefits

During 2020, the Group and the Company had retirement plans for employees as mutually agreed. As of 31 December 2020, the provision for termination benefits were Baht 14.8 million and Baht 13.3 million, respectively.

Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

Present value of the defined benefit obligations

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
At 1 January	33,622	26,910	31,512	25,602

Include in profit or loss:

Current service cost	6,639	4,068	6,340	3,467
Interest on obligation	532	916	505	855
Impact from the amended Labor Protection Act	-	6,205	-	5,830
Curtailment loss	20,621	-	18,190	-
	27,792	11,189	25,035	10,152

Included in other comprehensive income

Actuarial gain	(16,473)	(4,477)	(15,294)	(4,242)
Benefit paid	(15,392)	-	(13,822)	-
At 31 December	29,549	33,622	27,431	31,512

Actuarial gain recognised in other comprehensive income are from;

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Demography assumption	(1,902)	(1,645)	(963)	(1,505)
Financial assumption	(1,394)	252	(1,148)	258
Adjustment from experience	(13,177)	(3,084)	(13,183)	(2,995)
Total	(16,473)	(4,477)	(15,294)	(4,242)

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act during 2019. As a result of this change, the provision for retirement benefits as at 31 December 2019 and past service cost for the year then ended in the consolidated and separate financial statements increased by Baht 6.2 million and Baht 5.83 million, respectively.

Principal actuarial assumptions

Principal actuarial assumptions at the reporting date (demonstrated by weight average method) are as follow;

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(%)</i>			
Discount rate	1.50	3.03 - 3.07	1.50	3.03
Future salary growth	3.00 - 5.00	4.50 - 4.80	3.00 - 5.00	4.80
Employee turnover	6 - 36	5 - 35	6 - 36	5 - 35

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2020, the weighted-average duration of the defined benefit obligation was 13 years (2019: 14 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	<i>(in thousand Baht)</i>			
At 31 December 2020				
Discount rate (1% Change)	(1,244)	1,436	(1,169)	1,349
Future salary growth (1% Change)	1,467	(1,296)	1,380	(1,219)
Employee turnover (10% Change)	(943)	1,056	(888)	995
At 31 December 2019				
Discount rate (1% Change)	(3,122)	3,625	(2,880)	3,342
Future salary growth (1% Change)	3,975	(3,471)	3,670	(3,208)
Employee turnover (10% Change)	(1,983)	2,187	(1,830)	2,018

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Although this analysis does not take into account the full distribution of expected cash flows under the said project but showing estimates of sensitivity of various assumptions.

16 Share capital

	Par value per share (in Baht)	2020		2019	
		Number	Baht	Number	Baht
		(thousand shares / thousand Baht)			
Authorised					
At 1 January					
- ordinary shares	0.25	2,355,996	588,999	1,841,118	460,280
Reduction of shares	0.25	-	-	(532,231)	(133,058)
Increase of new shares	0.25	-	-	1,047,109	261,777
Ordinary shares at 31 December	0.25	2,355,996	588,999	2,355,996	588,999
Issued and paid-up					
At 1 January					
- ordinary shares	0.25	1,308,887	327,222	1,308,887	327,222
Increase of new shares	0.25	13,014	3,253	-	-
Ordinary shares at 31 December	0.25	1,321,901	330,475	1,308,887	327,222

Warrants to purchase shares

The Group issued warrants to purchase common shares CHO-W2 and started trading on 15 July 2019, detail is as follow:

Number of listed warrants (unit: warrants)	: 649,415,238
Exercise ratio (Warrant: Common stock)	: 1 : 1
Exercise price (Baht per share)	: 0.86
Term of warrants	: 1 year 6 months from issuance date
First exercise date	: 30 December 2019
Last exercise date	: 30 December 2020

During 2020, the Group paid-up the capital from warrant exercise to purchase shares which resulted in share capital increase by 13,014,520 shares amounting to Baht 11 million (share capital of Baht 3 million and share premium of Baht 8 million). The exercise of warrants was expired on 30 December 2020.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

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Changes in share capital for the year ended 31 December 2019 are below:

Decrease of share capital

On 24 April 2019, the Annual General Meeting approved the Company to decrease the registered share capital from 1,841,118,481 ordinary shares with par value of Baht 0.25 per share, totalling Baht 460,279,620.25, to newly registered share capital of 1,308,886,517 ordinary shares with par value of Baht 0.25 per share, totalling Baht 327,221,629.25, which were the remaining from the issuance and unsold shares with inconvertible under stipulated terms and conditions of 532,231,964 shares at par value of Baht 0.25 per share, totalling Baht 133,057,991.

The Company registered the capital reduction with Department of Business Development on 21 May 2019.

Increase of share capital

On 24 April 2019, the Annual General Meeting approved the Company to increase the registered share capital from 1,308,886,517 ordinary shares with par value of Baht 0.25 per share, totalling Baht 327,221,629.25 to newly registered share capital of 2,355,995,730 shares with par value of Baht 0.25 per share, totalling Baht 588,998,932.50, by issuing new 1,047,109,213 ordinary shares at par value of Baht 0.25 per share, totalling Baht 261,777,303.25, to support the General Mandate and warrant exercises.

The Company registered the capital increase with the Department of Business Development on 22 May 2019.

17 Reserve

Reserves comprise:

Appropriations of profit and retained earnings

Legal reserve

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

Other components of equity

Revaluation reserve

The revaluation reserve comprises the cumulative net change in the valuation of land included in the financial statements at valuation until land is sold or otherwise disposed of.

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18 Segment information

The management determined that the Group has 3 reportable segments which are the Group's strategic division that are different. The following summary describes the operations in each of the Group's reportable segments:

- *Segment revenue from contracts such as standard products, special products and project contract.*
- *Segment revenue from sale such as sale of spare parts and vehicle prototype.*
- *Segment revenue from service such as maintenance service centre.*

Each segment's performance is measured based on revenue and profit margin as included in the internal management reports that are reviewed by the Group's CODM. Revenue and profit margin are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The Group's revenue from major customers for year ended 31 December 2020 and 2019 were Baht 324.05 million and Baht 501.64 million, respectively.

Information about reportable segments

	Consolidated financial statements				
	Revenue from contract		Revenue from sales		Total
	2020	2019	2020	2019	
For the year ended 31 December					
Revenue	350,411	1,185,393	7,534	48,613	290,583
Gross profit	42,474	252,496	3,734	26,656	67,771
			(in thousand Baht)		
Unallocated distribution and administrative expenses and finance costs					(332,287)
Other income					20,489
Share of loss of investments in associate					(118)
Profit (loss) before tax					(239,052)
Investment in associates					2,341
Segment assets					3,138,322
Segment liabilities					2,201,039
					(338,572)
					84,617
					(93)
					74,808
					2,459
					3,251,787
					2,293,605

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The Company's revenue from major customers for year ended 31 December 2020 and 2019 were Baht 324.05 million and Baht 501.64 million, respectively.

Information about reportable segments

	Separate financial statements				
	Revenue from contract		Revenue from sales		Total
	2020	2019	2020	2019	
For the year ended 31 December					
Revenue	324,046	1,114,563	22,310	291,176	1,428,049
Gross profit	40,691	235,945	2,412	67,355	305,712
Unallocated distribution and administrative expenses and finance costs					(318,437)
Other income					93,713
Profit (loss) before tax					80,988
Investment in associates					2,818
Segment assets					3,103,896
Segment liabilities					2,148,134

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Geographical segments

The Group and the Company geographical segment is in domestic and overseas. The presentation of segment revenue from contract and sale of goods and rendering of services is based on the geographical location of customers below:

	Consolidated financial statements	
	2020	2019
	(in thousand Baht)	
Thailand	572,608	1,399,912
Vietnam	20,895	41,438
Korea	9,319	5,784
Hong Kong	5,881	26,573
Japan	1,578	29,123
Others	17,194	21,759
Total	627,475	1,524,589

All operating non-current assets are located in Thailand.

19 Employee benefit expenses

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		(in thousand Baht)			
Wages and salaries		161,051	232,508	151,726	216,861
Defined benefit plans	15	27,792	11,189	25,035	10,152
Defined contribution plans		5,709	10,160	5,332	9,470
Others		2,985	7,746	2,913	7,160
Total		197,537	261,603	185,006	243,643

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rate 2% of their basic salaries and by the Group at rates 2% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Managers.

20 Expense by nature

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		(in thousand Baht)			
Changes in inventories of finished goods and work in progress		(94,851)	(284,796)	(94,986)	(286,637)
Raw materials and consumables used		458,932	1,223,877	435,851	1,172,312
Employee benefit expenses	19	197,537	261,603	185,006	243,643
Depreciation and amortisation		58,700	57,751	51,874	53,174
Others		121,971	130,217	120,228	114,150
Total cost of sales, distribution costs and administrative expenses		742,289	1,388,652	697,973	1,296,642

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21 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
		(in thousand Baht)		
Current tax expense	-	(8,068)	-	(7,697)
Deferred tax				
Movements in temporary differences	309	(884)	469	(993)
Total income tax	309	(8,952)	469	(8,690)

<i>Income tax</i>	Consolidated financial statements					
	Before tax	2020 Tax (expense) benefit	Net of tax	Before tax	2019 Tax (expense) benefit	Net of tax
			(in thousand Baht)			
<i>Recognised in other comprehensive income</i>						
Revaluation of property, plant and equipment	246,061	(49,212)	196,849	-	-	-
Actuarial gains	16,473	(3,295)	13,178	4,477	(895)	3,582
Total	262,534	(52,507)	210,027	4,477	(895)	3,582

<i>Recognised in equity</i>						
Revaluation of investment property	(53,746)	10,749	(42,997)	-	-	-

<i>Income tax</i>	Separate financial statements					
	Before tax	2020 Tax (expense) benefit	Net of tax	Before tax	2019 Tax (expense) benefit	Net of tax
			(in thousand Baht)			
<i>Recognised in other comprehensive income</i>						
Revaluation of property, plant and equipment	244,870	(48,974)	195,896	-	-	-
Actuarial gains	15,294	(3,059)	12,235	4,242	(848)	3,394
Total	260,164	(52,033)	208,131	4,242	(848)	3,394

<i>Recognised in equity</i>						
Revaluation of investment property	(53,746)	10,749	(42,997)	-	-	-

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Reconciliation of effective tax rate

	Rate (%)	Consolidated financial statements		Rate (%)	2019
		2020	2019		
		(in thousand Baht)	(in thousand Baht)		
Profit (loss) before income tax expense		(239,052)	74,808		
Income tax using the Thai corporation tax rate	20	(47,810)	14,962	20	
Income tax reduction		(4,227)	(2,452)		
Expenses not deductible for tax purposes		11,306	2,687		
Current year losses for which no deferred tax asset was recognised		40,422	5,529		
Recognition of previously unrecognised tax losses		-	(11,774)		
Total	-	(309)	12		8,952

Reconciliation of effective tax rate

	Rate (%)	Separate financial statements		Rate (%)	2019
		2020	2019		
		(in thousand Baht)	(in thousand Baht)		
Profit (loss) before income tax expense		(208,270)	80,988		
Income tax using the Thai corporation tax rate	20	(41,654)	16,198	20	
Income tax reduction		(4,205)	(2,452)		
Expenses not deductible for tax purposes		11,197	2,686		
Current year losses for which no deferred tax asset was recognised		34,193	4,032		
Recognition of previously unrecognised tax losses		-	(11,774)		
Total	-	(469)	11		8,690

<i>Deferred tax</i>	Consolidated financial statements			
	Assets		Liabilities	
<i>At 31 December</i>	2020	2019	2020	2019
		(in thousand Baht)		
Net deferred tax assets (liabilities)	-	10,974	(30,505)	-

<i>Deferred tax</i>	Separate financial statements			
	Assets		Liabilities	
<i>At 31 December</i>	2020	2019	2020	2019
		(in thousand Baht)		
Net deferred tax assets (liabilities)	-	9,982	(30,833)	-

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	At 1 January	Consolidated financial statements (Charged) / Credited to			At 31 December
		Profit or loss	Other comprehensive income (in thousand Baht)	Equity	
Deferred tax					
2020					
Deferred tax assets					
Provisions for employee benefits	6,724	(487)	(3,295)	-	2,942
Others	4,250	796	-	(30)	5,016
Total	10,974	309	(3,295)	(30)	7,958
Deferred tax liabilities					
Property, plant and equipment (revaluation)	-	-	(49,212)	10,749	(38,463)
Total	-	-	(49,212)	10,749	(38,463)
Net	10,974	309	(52,507)	10,719	(30,505)
2019					
Deferred tax assets					
Provisions for employee benefits	5,383	2,236	(895)	-	6,724
Others	7,370	(3,120)	-	-	4,250
Total	12,753	(884)	(895)	-	10,974
	At 1 January	Separate financial statements (Charged) / Credited to			At 31 December
		Profit or loss	Other comprehensive income (in thousand Baht)	Equity	
Deferred tax					
2020					
Deferred tax assets					
Provisions for employee benefits	6,303	(435)	(3,059)	-	2,809
Others	3,679	904	-	-	4,583
Total	9,982	469	(3,059)	-	7,392
Deferred tax liabilities					
Property, plant and equipment (revaluation)	-	-	(48,974)	10,749	(38,225)
Total	-	-	(48,974)	10,749	(38,225)
Net	9,982	469	(52,033)	10,749	(30,833)
2019					
Deferred tax assets					
Provisions for employee benefits	5,121	2,030	(848)	-	6,303
Others	6,702	(3,023)	-	-	3,679
Total	11,823	(993)	(848)	-	9,982

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<i>Unrecognised deferred tax assets</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Tax losses	203,551	3,404	178,958	3,404
Total	203,551	3,404	178,958	3,404

The tax losses will expire within 2025. The deductible temporary differences do not expire under current tax legislation. The Group has not recognised these items as deferred tax assets because it is not probable that the Group will have sufficient future taxable profit to utilise the benefits therefrom.

22 Promotional privileges

By virtue of the provisions of the Investment Promotion Act B.E. 2520, the Group was granted promotion privileges. As at 31 December 2020, the outstanding privilege was the exemption from payment of import duty on imported raw material and supplies to be used in the manufacturing of goods for export sales for a period of five years from the first import date.

As promoted companies, the Group has to comply with conditions and restrictions described in the investment promotional certificate.

23 Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the year ended 31 December 2020 and 2019 were based on the profit (loss) attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht/ thousand share)</i>			
For the year ended 31 December				
Profit (loss) attributable to ordinary shareholders of the Company (basic)	(238,742)	65,858	(207,801)	72,298
Weighted average number of ordinary shares outstanding	1,321,901	1,308,887	1,312,901	1,308,887
Basic earnings (loss) per share (Baht)	(0.1806)	0.0503	(0.1572)	0.0552

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For the year ended 31 December 2020

Diluted earnings (loss) per share

The calculations of diluted earnings (loss) per share for the year ended 31 December 2020 and 2019 were based on the profit (loss) attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year after adjusting for the effects of all diluted potential instruments as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht/ thousand share)			
Profit (loss) attributable to ordinary shareholders of the Company (basic and diluted)	(238,742)	65,858	(207,801)	72,298
Weighted average number of ordinary shares outstanding	1,321,901	1,308,887	1,321,901	1,308,887
Effect of all diluted potential instrument	-	-	-	-
Weighted average number of ordinary shares outstanding (diluted)	1,321,901	1,308,887	1,321,901	1,308,887
Diluted earnings (loss) per share (Baht)	(0.1806)	0.0503	(0.1572)	0.0552

24 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

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For the year ended 31 December 2020

	Fair value				
	Level 1	Level 2	Level 3		
At 31 December 2020	Consolidated financial statements				
	Fair value through profit or loss	Fair value through other comprehensive income	Carrying amount	Amortised cost - net	
Financial assets					
Investment in non-marketable equity instruments	-	25,000	-	-	
Derivatives assets	7	-	-	-	
Total financial assets	7	25,000	-	-	
Financial liabilities					
Bank overdrafts and short-term loans from financial institutions	-	-	(592,683)	(592,683)	
Short-term loans	-	-	(10,827)	(10,827)	
Long-term loans	-	-	(255,096)	(255,096)	
Debentures	-	-	(1,002,364)	(1,002,364)	
Total financial liabilities	-	-	(1,860,970)	(1,860,970)	

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For the year ended 31 December 2020

At 31 December 2020	Separate financial statements				Fair value		
	Fair value through profit or loss	Carrying amount	Amortised cost - net	Total	Level 1	Level 2	Level 3
		Fair value through other comprehensive income		(in thousand Baht)			
Financial assets							
Short-term loans to related parties	-	-	132,533	132,533	-	-	132,533
Investment in non-marketable equity instruments	-	25,000	-	25,000	-	-	25,000
Derivatives assets	7	-	-	7	-	7	-
Total financial assets	7	25,000	132,533	157,540			
Financial liabilities							
Bank overdrafts and short-term loans from financial institutions	-	-	(567,848)	(567,848)	-	-	(567,848)
Short-term loans	-	-	(10,827)	(10,827)	-	-	(10,827)
Long-term loans	-	-	(248,897)	(248,897)	-	-	(248,897)
Debentures	-	-	(1,002,364)	(1,002,364)	-	-	(1,002,364)
Total financial liabilities	-	-	(1,829,936)	(1,829,936)			

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Notes to the financial statements

For the year ended 31 December 2020

Carrying amount and fair value of most financial instruments of the Group are not significantly different as its interest is approximate to market rate.

Financial instruments measured at fair value

Type	Valuation technique
Derivatives	In cases where there is an active market, the Group uses the market value as the fair value of derivatives. In cases where there is no active market, simple over-the-counter derivative are derived by using a valuation technique incorporating observable market data which is adjusted with counterparty credit risk (excluding own credit risk) and other risks to reflect true economic value.
Investment in non-marketable equity instruments	Net assets valued at the most recent report and consider its reliability and appropriateness on valuation factors.

(b) Financial risk management policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(b.1.1) Trade accounts receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

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For the year ended 31 December 2020

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of three months.

The following table provides information about the exposure to credit risk and ECLs for trade accounts receivables and contract assets.

Consolidated financial statements

	Trade accounts receivables	Contract assets	Total carrying amounts	Allowance for expected credit loss
At 31 December 2020				
Within credit terms	53,634	359,456	413,090	(21,982)
Overdue:				
Less than 3 months	13,437	-	13,437	(700)
3-6 months	8,993	-	8,993	(734)
6-12 months	38,943	-	38,943	(4,256)
More than 12 months	207,840	-	207,840	(8,426)
Total	322,847	359,456	682,303	(36,098)
Less allowance for expected credit loss	(16,799)	(19,299)	(36,098)	
Net	306,048	340,157	646,205	

Separate financial statements

	Trade accounts receivables	Contract assets	Total carrying amounts	Allowance for expected credit loss
At 31 December 2020				
Within credit terms	51,631	350,916	402,547	(16,165)
Overdue:				
Less than 3 months	13,437	-	13,437	(461)
3-6 months	8,993	-	8,993	(732)
6-12 months	12,908	-	12,908	(5)
More than 12 months	137,127	-	137,127	(7,198)
Total	224,096	350,916	575,012	(24,561)
Less allowance for expected credit loss	(8,834)	(15,727)	(24,561)	
Net	215,262	335,189	550,451	

During the year ended 31 December 2020, a customer of the Group which is in airline business in Thailand, entered into a business rehabilitation plan under the rehabilitation process of the Central Bankruptcy Court. This resulted that inter-transactions including receiving payments have been temporarily suspended. As at 31 December 2020, the Group has trade account receivables and contract assets amounting to totalling Baht 51.75 million arising from made-to-order equipment purchased for its business operation. The Company already recognised such impact of impairment for the year ended 31 December 2020.

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Movement of allowance for expected credit loss of trade accounts receivables and contract assets

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
At 1 January 2020 - restated	16,573	13,467
Addition	22,992	12,950
Reversal	(3,467)	(1,856)
At 31 December 2020	36,098	24,561

Aging analyses for trade accounts receivables as at 31 December 2019 were as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
31 December 2019		
Related parties		
Within credit terms	20,946	21,152
Overdue:		
Less than 3 months	30,071	11,495
3 - 6 months	950	950
6 - 12 months	123,553	120,031
Over 12 months	78,316	23,063
	253,836	176,691
Less allowance for doubtful accounts	-	-
	253,836	176,691
Other parties		
Within credit terms	45,567	28,103
Overdue:		
Less than 3 months	56,481	39,448
3 - 6 months	2,015	2,015
6 - 12 months	16,151	13,497
Over 12 months	9,510	8,533
	129,724	91,596
Less allowance for doubtful accounts	(2,450)	(1,474)
	127,274	90,122
Net	381,110	266,813

The normal credit terms granted by the Group ranges from 30 days to 90 days.

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Reversal of bad debts and doubtful accounts for the year ended 31 December	(16,155)	(16,154)

(b.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions with a minimum credit rating of AA- to BBB- assigned by Fitch rating, for which the Group considers to have low credit risk.

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(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Consolidated financial statements					
Contractual cash flows					
	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years	Total
<i>At 31 December 2020</i>					
<i>(in thousand Baht)</i>					
Non-derivative financial liabilities					
Bank overdrafts and short-term loans from financial institutions	592,683	592,683	-	-	592,683
Trade accounts payables	145,454	145,454	-	-	145,454
Short-term loans	10,827	10,827	-	-	10,827
Long-term loans	255,096	33,100	8,954	213,042	255,096
Lease liabilities	47,685	13,158	7,956	35,159	56,273
Debentures	1,002,364	417,265	589,035	-	1,006,300
Total	2,054,109	1,212,487	605,945	248,201	2,066,633
Derivative financial liabilities					
Forward exchange purchase contracts	4,066	4,066	-	-	4,066
Total	4,066	4,066	-	-	4,066
Separate financial statements					
Contractual cash flows					
	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years	Total
<i>At 31 December 2020</i>					
<i>(in thousand Baht)</i>					
Non-derivative financial liabilities					
Bank overdrafts and short-term loans from financial institutions	567,848	567,848	-	-	567,848
Trade accounts payables	134,315	134,315	-	-	134,315
Short-term loans	10,827	10,827	-	-	10,827
Long-term loans	248,897	31,900	3,955	213,042	248,897
Lease liabilities	47,682	13,158	7,956	35,159	56,273
Debentures	1,002,364	417,265	589,035	-	1,006,300
Total	2,011,933	1,175,313	600,946	248,201	2,024,460
Derivative financial liabilities					
Forward exchange purchase contracts	4,066	4,066	-	-	4,066
Total	4,066	4,066	-	-	4,066

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The cash outflows disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

(b.3) Market risk

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

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

Consolidated financial statements					
2020					
<i>Exposure to foreign currency at 31 December</i>	USD	EUR	GBP	Others	Total
<i>(in thousand Baht)</i>					
Trade accounts receivables	3,549	5,560	-	-	9,109
Trade accounts payables	(298)	(21,296)	(22,707)	(1,501)	(45,802)
Net statement of financial position exposure	3,251	(15,736)	(22,707)	(1,501)	(36,693)
Forward exchange contracts					
Forward exchange purchase contracts	-	-	4,066	-	4,066
Net exposure	3,251	(15,736)	(18,641)	(1,501)	(32,627)
Separate financial statements					
2020					
<i>Exposure to foreign currency at 31 December</i>	USD	EUR	GBP	Others	Total
<i>(in thousand Baht)</i>					
Trade accounts receivables	3,549	5,489	-	-	9,038
Trade accounts payables	-	(21,103)	(22,707)	(1,501)	(45,311)
Net statement of financial position exposure	3,549	(15,614)	(22,707)	(1,501)	(36,273)
Forward exchange contracts					
Forward exchange purchase contracts	-	-	4,066	-	4,066
Net exposure	3,549	(15,614)	(18,641)	(1,501)	(32,207)

Sensitivity analysis

A reasonably possible strengthening and weakening of the Euro, US dollar, or Pound Sterling against all other currencies at 31 December 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

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For the year ended 31 December 2020

At 31 December 2020	Movement (%)	Consolidated financial statements		Separate financial statements	
		Profit or loss		Profit or loss	
		Strengthening	Weakening (in thousand Baht)	Strengthening	Weakening
USD	1	38	(38)	35	(35)
EUR	1	(269)	269	(266)	266
GBP	1	(227)	227	(227)	227

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations. The Group mitigated the risk mainly by ensuring the majority of its loan interests are at fixed rate.

25 Capital Management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders as appropriate.

26 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Capital commitments				
Buildings and other constructions	-	20,503	-	20,503
Machinery and equipment	-	32,662	-	32,662
Total	-	53,165	-	53,165

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Other commitments				
Purchase orders for goods and supplies	155,090	81,930	153,677	81,930

	Consolidated financial statements			
	Foreign currency		Equivalent to Baht	
	2020	2019	2020	2019
	(in thousand)		(in thousand Baht)	
Unused letter of credit				
THB			14,370	17,469
EUR	117	148	4,346	5,041
USD	116	75	3,507	2,287
JPY	-	12,260	-	4,884
Total			22,223	29,681

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For the year ended 31 December 2020

	Separate financial statements			
	Foreign currency		Equivalent to Baht	
	2020	2019	2020	2019
	(in thousand)		(in thousand Baht)	
Unused letter of credit				
THB			4,370	17,469
EUR	-	148	-	5,041
JPY	-	12,260	-	4,884
Total			4,370	27,394

	Consolidated and separate financial statements	
	2020	2019
	(in thousand Baht)	
Bank guarantees		
Service contract guarantee	280,008	295,910
Electricity guarantee	1,160	1,155
	281,168	297,065

27 Other matters

The Company received a notice of contract termination regarding the E-Ticket project from the BMTA on 21 March 2019. The cancelled project value was Baht 1,665 million. According to the notice, claiming that the Company did not comply with the contract and was unable to deliver the work under the contract (E-Ticket system with equipment) within the period prescribed in the contract, therefore, the BMTA requested for the right to terminate the contract.

In the past, the Company has complied with the contract by installing the E-Ticket system in all 2,600 buses along with the actual system activation, and the Cash Box system has been installed in 800 buses. The BMTA notified the Company to wait for clarification to complete the installation and utilisation only the E-Ticket system. In addition, the BMTA submitted a letter to the Comptroller General's Department to discuss amendments to the contract or to terminate certain portion of the contract by cutting off the Cash Box system from the entire contract.

On 4 September 2019, the Company filed a petition against the government agent at the Central Administrative Court, undecided case no. 1998/2019 between the Company and the BMTA, claiming for damages or compensation for services or rental charges that should be obtained by the Company amounting to Baht 1,556 million (price excluding of tax) with an interest rate of 7.5% per annum calculated from the date after filing a petition to the completed payment date. In addition, the contract guarantee must be returned to the Company with a charge arising from the late return of such guarantee.

As of 31 December 2020, the case was at court and being considered for both parties' proposals.



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Cho Thavee Public Company Limited and its Subsidiaries

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For the year ended 31 December 2020

28 Events after the reporting period

- 1) On 5 February 2021, Debenture Holder's Meeting approved on the revised redemption condition on the debenture CHO212A of 545,300 units at par value of Baht 1,000 per unit. Interest was carried at fixed rate of 6.75% per annum, repaying quarterly, lifespan of 2 years and will be matured on 22 February 2021 with the significant revisions as below;

- 1.1) The extension of debenture CHO212A's maturity for another 1 year 9 months, from previously 22 February 2021 to 22 November 2022.
- 1.2) The revision of interest rate to 7.5% per annum (previously 6.75% per annum)
- 1.3) The gradual repayment of the principal to 4 times
 - : 1st time on 22 August 2021 at 5% of the value of each debenture bill
 - : 2nd time on 22 February 2022 at 5% of the value of each debenture bill
 - : 3rd time on 22 August 2022 at 10% of the value of each debenture bill
 - : 4th time on 22 November 2022 at 80% of the value of each debenture bill

The revised redemption condition of the debenture was subsequently approved after the reporting period, therefore, the Group classified such maturing debenture as current liability in the statements of financial position as at 31 December 2020.

- 2) As disclosed in note 3, the Group has elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of coronavirus pandemic (COVID-19). The guidance expired on 31 December 2020. The COVID-19 pandemic continued subsequent to the expiration of the guidance and the management is in process of consideration for the impact on the financial statements after such relief measure expired.

29 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2019, which are included in the 2020 financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2020 financial statements. The significant reclassification as follows:

	2019		
	Consolidated financial statements		
	Before reclass	Reclass	After reclass
	(in thousand Baht)		
Statement of financial position as at			
31 December 2019			
Inventories	715,418	(63,171)	652,247
Other current assets	33,674	63,171	96,845

	2019		
	Separate financial statements		
	Before reclass	Reclass	After reclass
	(in thousand Baht)		
Statement of financial position as at			
31 December 2019			
Inventories	673,181	(63,171)	610,010
Other current assets	33,382	63,171	96,553

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.

Part 4

Information Certification

Information Certification

The Company has prudently examined the facts and figures in the above-mentioned report / Annual report. The Company declares the facts and figures as complete, accurate, truthful, not misleading, or not inadequate in materiality– which may cause possible damage to the bearer or buyer of the securities. In addition, the Company declares that

- (1) The financial statements and financial information, attached as parts of this annual information / Annual report, present accurate and complete, in all material aspects, the financial position, result of operations, and cash flows of the Siam Cement Public Company Limited and subsidiaries.
- (2) The Company is responsible for fine disclosure system to ensure that the Company has accurately and completely disclosed material information of the Company and subsidiaries as well as supervising the compliance of the system.
- (3) The Company is responsible for good internal control and overseeing the conformity to such system. The Company informed the internal control evaluation as at February 24, 2021 to the auditors and the Audit Committee. The report included any shortcomings and major changes in the internal control system as well as any dishonesty that might affect the financial statements of the Company and subsidiaries.

In order to ensure the authenticity and the wholeness of all the said documents endorsed by us, the Company instructed Mrs. Phanthong Nowa to initial each and every sheet of the document. Should any sheet of document be without his initial, the Company will consider such sheet (or sheets) not certified by us.

Name	Position
1. Mr. Suradech Taweesaengsakulthai	Director
2. Ms. Asana Taweesaengsakulthai	Director

Authorized Person

Name	Position
Mrs. Phanthong Nowa	Executive Vice President / Chief Financial Officer



Attachment

- Attachment 1 Profiles of Directors, Executives, Highest responsibility in finance and accounting (CFO), Person supervising accounting (Chief Accountant) and Company Secretary
- Attachment 2 Details of Directors of Subsidiaries
- Attachment 3 Details of Chief of internal audit and Chief of compliance
- Attachment 4 Review of Business Asset and Asset Revaluation
- Attachment 5 Audit Committee's Report
- Attachment 6 Full Version of Corporate Governance Policy and Guidelines and Code of Conduct

The Board of Directors



**Mrs. Phenphimol
Vejvarut**

Board of Directors,
Chairman



**Mr. Suradech
Taweesaengsakulthai**

- Director
- Authorized Directors
- Executive Committee, Chairman
- President and Chief Executive Officer
- Boards Secretary



**Ms. Asana
Taweesaengsakulthai**

- Director
- Authorized Directors
- Executive Director
- First Senior Executive Vice President / Senior



**Mr. Siriwat
Taveesangskulthai**

- Director
- Corporate Governance, Risk Management, Nomination and Compensation Committee
- Executive Director



**Asst. Prof. Dr.
Anusorn Tamajai**

- Independent Director
- Audit Committees,Chairman



**Mr. Chatchawan
Triamvicharnkul**

- Independent Director
- Audit Committee
- Chairman of Corporate Governance, Risk Management, Nomination and Compensation Committee



**Prof. Dr. Asa
Prateepasen**

- Independent Director
- Audit Committee
- Corporate Governance, Risk Management, Nomination and Compensation Committee

Company's Management



**Mr. Suradech
Taweesaengsakulthai**
President / Chief
Executive Officer



**Ms. Asana
Taweesaengsakulthai**
First Senior Executive Vice
President / Senior Deputy CEO



**Mr. Narong
Ongartmaneerut**
Senior Executive Vice President
/ Deputy CEO



**Mrs. Phanthong
Nowa**
Executive Vice President /
Chief Financial Officer



**Mr. Prasobsuk
Boonkwan**
Executive Vice President /
Chief Business
Development
Officer – Domestic



**Mr. Sven Markus
Gaber**
Executive Vice President /
Chief Marketing
Officer – Overseas



**Mr. Sakarin
Unnim**
Executive Vice President /
Chief Marketing
Officer – Domestic



**Mr. Nopparrat
Sangsawang**
Executive Vice President /
Chief Production Officer



**Mr. Apichai
Chumsri**
Executive Vice President
/ Chief Risk Management
Officer



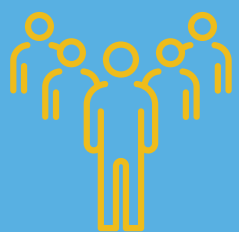
**Mr. Nirut
Sumongkol**
Executive Vice President /
Chief Design
Engineering Officer



**Mr. Chatchai
Kantawirut**
Executive Vice President
/ Chief of Organizational
Excellence



**Mr. Phard
Pimrin**
Executive Vice President /
Chief Information Officer



Board of Directors, Executives and Company Secretary's Information



Mrs. Phenphimol Vejvarut

Board of Directors, Chairman

Appointed : On November 14, 2012

Age (Year) : 59

Shareholding in the company(%) : 0.025

Stake in the company of their spouses and minor children : none

Family Relationship among Directors and Executives :
Older sister of Mr. Suradech Taweesaengsakulthai



Education and Training :

- Diploma, Faculty of Accountancy, Bangkok Business College
- Certificate, Thai Institute of Directors
 - Director Accreditation Program (DAP) SET/2012



5-year Past Work Experiences :

2012 - Present	Chairman Cho Thavee Public Company Limited.
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Other Listed Companies : - none -

Non-listed Companies

2018 - Present	Director Iphon Logistics Co., Ltd.
1989 - Present	Director, Bangkok CTV Intertrade Co., Ltd.
2019 - Present	Director, Tang Hua Sing Nakhon Pathom Co., Ltd.
1967 - 2019	Managing Partner Tang Hua Singh Nakhon Pathom Limited. Partnership



Mr. Suradech Taweesaengsakulthai

- Director
- Authorized Directors
- Executive Committee, Chairman
- President and Chief Executive Officer
- Boards Secretary

Appointed : On November 18, 1994

Age (Year) : 54

Shareholding in the company(%) : 35.913

Stake in the company of their spouses

and minor children : Mrs. Wadsna

Taweesaengsakulthai 5.193%

Family Relationship among Directors and Executives :
Younger brother Of Mrs.PhenphimolVejvarut



Education and Training :

- Diploma, Automotive Engineering, Yomiuri Rikosem College, Japan
- Faculty of Business Administration, Sanno University, Japan
- Honorary Degree of Engineering in Mechanical Engineering (Graduation Year 2017), Department of Mechanical Engineering, Faculty of Engineering, Rajamangala University of Technology Isan (RMUTI)
- Certificate, Thai Institute of Directors
 - Director Accreditation Program(DAP),class 82/2010
 - What Business need to know about Data Science by CORALINE
 - Chief Transformation Officer : CTO Course by Market for Alternative Investment - MAI



5-year Past Work Experiences :

1994 - Present	Director, Executive Committee, Chairman, President and Chief Executive Officer
2015 - Present	Boards Secretary Cho Thavee Public Company Limited.

Other Listed Companies : - none -

Non-listed Companies

2005 - Present	Director Cho Thavee Termotech Co., Ltd.
2018 - Present	Director Amomrattanakosin Company Limited ("ARK")
2017 - Present	Director KLRT Company Limited
2017 - Present	Director KKTT Holding Co., Ltd.
2016 - Present	Authorized Director JVOPV Joint Venture
2016 - Present	Authorized Director JVCKK Joint Venture
2015 - Present	Chairman of the Company's director Khonkaen City Development (KKTT) Co., Ltd.
2015 - Present	Director Joint Venture JVCC
2012 - Present	Deputy Dean for Management Collage of Local Administration, Khon Kaen University
1996 - Present	Director A P S Multi-Trade Co., Ltd.
1990 - Present	Director KhonKaen Cho Thavee (1993) Co., Ltd.
1990 - Present	Director Chia Eam Seng Co., Ltd.
1984 - Present	Director Cho Ruam Thawi (Laksi) Co., Ltd.
1977 - 2017	Director KhonKaen Cho Thavee Limited Partnership



Asst. Prof. Dr. Anusorn Tamajai

- **Independent Director**
- **Audit Committees,Chairman**

Appointed : On October 12, 2012

Age (Year) : 54

Shareholding in the company(%) : -none-

Stake in the company of their spouses
and minor children : -none-



Education and Training :

- Doctorate Degree, International Economics, Finance and Development, Fordham University New York, USA
- Master Degree, Faculty of Business Administration, Southeastern University
- Master Degree, Faculty of Economics, Fordham University New York, USA
- Bachelor Degree, Faculty of Politics (Honourary) Chulalongkorn University
- Bachelor Degree of Laws, Second Degree (2 years) Thammasat University
- Certificate, Thai Institute of Directors
 - Director Certification Program (DCP) class 28/2003 By IOD
 - Strategy and Policy Development By IOD
 - Audit Committee Program (ACP)11/2006 By IOD
 - Role of the Chairman Program (RCP) 19/2008 By IOD
 - Role of the Compensation Committee (RCC) By IOD
- Financial Statement for Directors (FSD) By IOD
- Monitoring the System of Internal Control and Risk Management (MIR) By IOD
- Monitoring the Quality of Financial Reporting (MFR) By IOD
- Anti-Corruption Executive Program (ACEP) 5/2013 By IOD
- Advance Audit Committee Program (AACP) 16/2014 By IOD
- Board that Make a Difference (BMD) 1/2016 By IOD
- Top executives of state enterprise program (PDI) class 2 by King Prajadhipok's Institute
- How New Foreign Bribery Laws Affect Companies in Thailand By IOD



5-year Past Work Experiences :

2012 - Present	Independent Director and Chairman of Audit Committee Cho Thavee Public Company Limited
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Other Listed Companies :

2002 - 2016	Chairman of Audit Committee and Director The Bangchak Petroleum Public Company Limited
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Non-listed Companies

2016 - Present	Chairman, Bangchak Bioethanol (Chachoengsao) Co., Ltd.
2019 - Present	Director Centre for Economics and Business Research, Institute of Economics
2019 - Present	Director of Master program in Digital Economy, Rangsit University
2019 - Present	Committee, Advanced Certificate course in Public Administration and Law for Executives, King Prajadhipok's Institute
2019 - Present	Committee, Diploma course in Public Economics Management for Executives, King Prajadhipok's Institute
2019 - Present	Subcommittee, Government Service Development for Good Governance Promotion, Office of the Public Sector Development Commission

2013 - 2018	Subcommittee, Screening Law for Benefit and Allowance Development, Social Security Office, Ministry of Labour
2007 - 2019	• Subcommittee, MOU Preparation for Evaluation of State Enterprise, Committee on State Enterprise • Vice President of Research and Academic Service, Rangsit University • Dean of the Faculty of Rangsit University
2007 - 2019	Director Freedom Media for Reform Co., Ltd.
2015 - 2018	Director Ubon Bio Ethanol Co., Ltd.
2014 - 2015	Committee and Audit Committee Bank of Thailand



Mr. Chatchawan Triamvicharnkul

- Independent Director
- Audit Committee
- Chairman of Corporate Governance, Risk Management, Nomination and Compensation

Appointed : On February 26, 2013

Age (Year) : 56

Shareholding in the company(%) : -none-

Stake in the company of their spouses and minor children : -none-



Education and Training :

- Master Degree in Business Administration (Finance), National Institute of Development Administration (NIDA)
- Higher Diploma in Auditing (Accounting Examination) Chulalongkorn University
- Bachelor Degree, Business Administration, Programme (Accounting) Ramkhamhaeng University
- Certified Public Accountant (CPA)
- Certified Professional Internal Audit of Thailand (CPIAT), the Institute of Internal Auditors of Thailand
- CFO Certification Program, The Federation of Accounting Profession (FAP.)
- Diploma Tax Law, Central Tax Court
 - Certificate, Thai Institute of Directors
 - How to develop Risk Management (HRP)class 07/2015
 - Director Certification Program (DCP) class 174/2013
- Audit Committee Program (ACP) class 2/2004
- Director Accreditation Program (DAP) class 20/2004
- Seminar held by IOD and SET.
- Collective Action Coalition Against Corruption (CAC)
- CG Forum 1 – 4/2014
- CGR Scorecard Workshop
- Research Alliance Dialogue on Corporate Governance 2014
- R-ACF 1/2016 By IOD
- Ethical Leadership program (ELP) 3/2016



5-year Past Work Experiences :

2014 - Present	Chairman of Corporate Governance, Risk Management, Nomination and Compensation Committees
2013 - Present	Independent Director and Audit Committee Cho Thavee Public Company Limited.

Other Listed Companies :

2017 - Present	• Independent Director and Audit Committee • Corporate Governance, Risk Management, Nomination and Compensation Committee Star Universal Network Public Co., Ltd.
2015 - Present	Independent Director and Audit Committee Apex Development Public Company Limited.
2008 - 2015	Nomination and Compensation Committee
2015 - 2015	Independent Director and Chairman of Audit Committee
2004 - 2014	Independent Director and Audit Committee ACAP Advisory Public Company Limited.
2012 - 2014	Deputy Managing Director Asia Soft Corporation Public Company Limited

Non-listed Companies

2014 - Present	Managing Director Smart Consulting and Services Co.,Ltd
2013 - 2014	Director, Thinkplusdigital Co., Ltd
2012 - 2014	Director Play Cyber Games Co., Ltd.



Prof. Dr. Asa Prateepasen

- Independent Director
- Corporate Governance, Risk Management, Nomination and Compensation Committee
- Audit Committee

Appointed : On October 12, 2012

Age (Year) : 60

Shareholding in the company(%) : -none-

Stake in the company of their spouses and minor children : -none-



Education and Training :

- Doctorate Degree in Engineering, System Engineering Brunel University, United Kingdom
- Master Degree in Engineering, Mechanical, King Mongkut's University of Technology Thonburi
- Bachelor Degree in Engineering, Industry, King Mongkut's University of Technology Thonburi
- Bachelor Degree in Economics, Fiscal, Ramkhamhaeng University
- Certificate, Thai Institute of Directors
 - Monitoring fraud risk management (MFM) class 8/2012
 - Monitoring the quality of financial report (MFR) class 15/2012
 - Monitoring the system of internal control and risk management (MIR) class 13/2012
 - Monitoring the internal audit function (MIA) class 13/2012
 - Audit committee program (ACP) class 39/2012
 - Understanding fundamental financial statement class 11/2007
 - Finance for Non-finance-director (FND) class 37/2007
 - Director certification program (DCP) class 94/2007



5-year Past Work Experiences :

2014 - Present	Corporate Governance, Risk Management, Nomination and Compensation Committees
2012 - Present	Independent Director and Audit Committee Cho Thavee Public Company Limited

Other Listed Companies : - none -

Non-listed Companies

2020 - Present	Advisor, Lecturer, and Expert King Mongkut's University of Technology, Thonburi
2014 - 2020	Professor, King Mongkut's University of Technology, Thonburi
1992 - 2014	Associate Professor, King Mongkut's University of Technology, Thonburi



Ms. Asana Taweangsakulthai

- Director
- Authorized Directors
- Executive Director
- First Senior Executive Vice President / Senior Deputy CEO

Appointed : On August 15, 1995

Age (Year) : 66

Shareholding in the company(%) : 2.989

Stake in the company of their spouses and minor children : -none-

Family Relationship among Directors and Executives :
Older sister of Mr. Suradech Taweesaengsakulthai



Education and Training :

- Bachelor Degree, Faculty of Humanities, Ramkhamhaeng University
- Certificate, Thai Institute of Directors
 - Director Accreditation Program (DAP) SET/2012



5-year Past Work Experiences :

1995 - Present	• First Senior Executive Vice President / Senior Deputy CEO • Director, Executive Director, Cho Thavee Public Company Limited.
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Other Listed Companies : - none -

Non-listed Companies

2020 - Present	Director, Mobility as a Service Co., Ltd.
1995 - Present	Director, Cho Thavee Termotech Co., Ltd.
2009 - Present	Director of OJ Development Co., Ltd.
1992 - Present	Director, German Truck and Bus Co., Ltd. (Changed from Volruck Truck and Bus Co., Ltd.)
1989 - Present	Director Bangkok CTV Intertrade Co.,Ltd



Mr. Siriwat Taveesangkulthai

- Director
- Corporate Governance, Risk Management, Nomination and Compensation Committee
- Executive Director

Appointed : On October 12, 2012

Age (Year) : 42

Shareholding in the company(%) : -none-

Stake in the company of their spouses
and minor children : -none-

Family Relationship among Directors and Executives :

The son of the eldest brother of Mr. Suradech

Taweesaengsakulthai



Education and Training :

- Master Degree, Management, Brunel University
- Bachelor Degree, Economics, Rissho University
- Certificate, Thai Institute of Directors
- Director Accreditation Program (DAP) class 82/2010



5-year Past Work Experiences :

2014 - Present	Corporate Governance, Risk Management, Nomination and Compensation Committees
2012 - Present	Director, Executive Director Cho Thavee Public Company Limited.

Other Listed Companies : - none -

Non-listed Companies

2020 - Present	Director, Stargate Auto Co., Ltd.
2017 - Present	Director, Thaveesaengthai Nongrue Rice Mill Ltd., Part.
2012 - Present	Director, General Manager, Ruamthavee KhonKaen Co., Ltd.
2011 - Present	Director, Ruamthavee Motor Sales Co., Ltd.
1984 - Present	Director, Cho Ruamthavee Leasing and Real Estate Co., Ltd.



Mr. Narong Ongartmaneerut

- Executive Director
- Senior Executive Vice President / Deputy CEO

Appointed : On December 25, 2018

Age (Year) : 59

Shareholding in the company(%) : -none-

Stake in the company of their spouses
and minor children : -none-



Education and Training :

- Master of Business Administration, Chulalongkorn University, Bangkok
- Bachelor of Business and Administration, Thammasat University, Bangkok
- Core Credit Course, Security Pacific Asian Bank, Hong Kong, 1993
- Investment Banking Course, Euro money, Macao, 1995
- Global CFO 2015 & Beyond, Marcus Evan, Kuala Lumpur, Malaysia, 2015
- Financial Advisor Training, Thai Securities Companies & Investment Banking Association, 2016
- DCP Training, English Program by IOD, 2016
- Risk Management Program for Corporate Leader by IOD, 2016
- 2016 IFRS Training, Federation of Accounting Profession, 2016



5-year Past Work Experiences :

2018 - Present	Senior Executive Vice President / Deputy CEO, Executive Director Cho Thavee Public Company Limited.
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Other Listed Companies :

2015 - 2017	SEVP, Chief Operation Officer, Executive Director, The International Engineering Plc.
2017 - Present	Member of Risk Management Committee Board, ALT Telecom Plc.
2003 - 2015	Executive Vice President Head, Corporate Banking Division CIMB Thai Bank Plc.

Non-listed Companies

2017 - Present	Executive Independent Advisor Global Steel Dust (Thailand) Co., Ltd.
2017 - Present	Executive Advisor Ayutthaya Clean Energy Co., Ltd.
2017 - 2018	Deputy CEO & CFO, Praram 2 Medical Group Co.,Ltd



Mr. Prasobsuk Boonkwan

- Executive Director
- Executive Vice President /
Chief Business Development Officer- Domestic

Appointed : On June 1, 2011

Age (Year) : 53

Shareholding in the company(%) : 0.001

Stake in the company of their spouses
and minor children : -none-



Education and Training :

- Bachelor Degree, Faculty of Business Administration Ramkhamhaeng University
- What Business need to know about Data Science By CORALINE



5-year Past Work Experiences :

2020 - Present	Executive Vice President / Chief Business Development Officer- Domestic
2011 - Present	Executive Director
2015 - 2020	Chief Business Development Officer- Domestic
2011 - 2015	Chief Marketing Officer, Domestic Cho Thavee Dollasien Public Company Limited.

Non-listed Companies

2018 - Present	Director, Mobility as a Service Co., Ltd.
2015 - Present	Director, Cho Thavee Termotech Company Limited.
2018 - Present	Director, Amornrattanakosin Company Limited ("ARK")
2017 - Present	Authorized Directors Joint Venture CKKM
2010 - 2011	Administrative Manager
1995 - 2010	Purchase Manager Cho Thavee Dollasien Company Limited.

Other Listed Companies : - none -



Mr. Sven Markus Gaber

- Executive Director
- Executive Vice President /
Chief Marketing Officer Overseas

Appointed : On June 1, 2011

Age (Year) : 53

Shareholding in the company(%) : -none-

Stake in the company of their spouses
and minor children : -none-



Education and Training :

Bachelor Degree in Engineering, Mechanical,
DAA-Technikum Gemeinnuetzige Wuerzburg
University (GMBH)



5-year Past Work Experiences :

2020 - Present	Executive Vice President / Chief Marketing Officer Overseas
2011 - Present	Executive Director
2011 - 2020	Chief Marketing Officer, Overseas, Cho Thavee Public Company Limited.

Other Listed Companies : - none -

Non-listed Companies

2009 - 2010	Director Manager, Foreign Sales Cho Thavee Dollasien Company Limited.
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Mr. Sakarin Unnim

- Executive Director
- Executive Vice President / Chief Marketing Officer Domestic

Appointed : On July 21, 2015

Age (Year) : 51

Shareholding in the company(%) : 0.009

Stake in the company of their spouses and minor children : -none-



Education and Training :

- Master Degree, Faculty of Business Administration (M.B.A), Dhurakijpundit University
- Bachelor Degree, Faculty of Business Administration (B.B.A.), Dhurakijpundit University
 - Data creation for Bus license on Special highway by Department of Highways
 - Seminar on actions plan of Aerospace industry in Thailand by The Civil Aviation Authority of Thailand (CAAT)



5-year Past Work Experiences :

2020 - Present	Executive Vice President / Chief Marketing Officer Domestic
2015 - Present	Executive Director
2015 - 2020	Executive Director Chief Marketing Officer-Domestic Cho Thavee Public Company Limited.
2013 - 2015	Government Sales Manager Cho Thavee Dollasien Public Company Limited

Other Listed Companies : - none -

Non-listed Companies

1998 - 2013	Government Sales Manager Cho Thavee Dollasien Company Limited.
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Mr.Nopparat Sangsawang

- Executive Director
- Executive Vice President / Chief Production Officer

Appointed : On June 1, 2011

Age (Year) : 53

Shareholding in the company(%) : 0.010

Stake in the company of their spouses and minor children : -none-



Education and Training :

- Master Degree, Faculty of Business Administration, Ramkhamhaeng University
- Bachelor Degree, Production Engineering, King Mongkut's University of Technology Thonburi
 - ISO14001:2015 Requirement by INDUCTION SAFETY & TRAINING EQUIPMENT CO.,LTD
 - Preparation for apply in professional supervision licensed by Council of Engineers Thailand



5-year Past Work Experiences :

2020 - Present	Executive Vice President / Chief Production Officer
2011 - Present	Executive Director
2011 - 2020	Chief Production Officer Cho Thavee Public Company Limited.

Other Listed Companies : - none -

Non-listed Companies

2018 - Present	Director, Mobility as a Service Co., Ltd.
2016 - Present	Director Amornrattanakosin Company Limited ("ARK")
2016 - Present	Director JVCKK Joint Venture
2016 - Present	Director JVOPVJointVenture
2016 - Present	Director JVCC Joint Venture
2015 - Present	Director, KhonKaen Cho Thavee (1993) Co., Ltd.
2015 - Present	Director, O J Development Co., Ltd.
1998 - 2011	Manager, Production Management Department Cho Thavee Dollasien Company Limited.



Mr. Apichai Chumsri

- Executive Director
- Executive Vice President / Chief Risk Management Officer
- Secretary of Corporate Governance, Risk Management, Nomination and Compensation Committees

Appointed : On June 4, 2013

Age (Year) : 52

Shareholding in the company(%) : 0.004

Stake in the company of their spouses and minor children : -none-



Education and Training :

- Bachelor Degree of Science in Technical Education Program in Industrial Engineering Welding Fabrication.
- Rajamangala University of Technology Isan Khonkaen Campus. Certificate, MINI MBA Kasetsart University, Si Racha Campus.
- HOW TO DEVELOP A RISK MANAGEMENT PLANHRP 9/2016 by IOD
- Strategic Risk Management by Thailand Productivity Institute
- Sustainability Risk and Materiality Analysis class 1
- ISO14001:2015 Requirement & Internal Audit by
- Induction Safety & Training Equipment Co., Ltd.
- OKRs in Action by The KhonKaen Chamber of Commerce
- Online Training in Digital Government & Smart City for Resilience by International Telecommunication Union with National Information Society Agency (NIA) Jeju Island, Republic of Korea



5-year Past Work Experiences :

2020 - Present	Executive Vice President / Chief Risk Management Officer
2013 - Present	Executive Director
2013 - 2020	Chief Risk Management officer Cho Thavee Public Company Limited.

Other Listed Companies : - none -

Non-listed Companies

1996 - 2013	Inspection Cost Dept. Mgr. Cho Thavee Dollasien Company Limited.
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Mr. Nirut Sumongkol

- Executive Director
- Executive Vice President / Chief Design Engineering Officer

Appointed : On June 4, 2013

Age (Year) : 55

Shareholding in the company(%) : 0.017

Stake in the company of their spouses and minor children : -none-



Education and Training :

Bachelor Degree of Science in Technical Education (Electrical Engineering), Faculty of Technical Education , Rajamangala University of Technology Isan, Khonkaen Campus.



5-year Past Work Experiences :

2020 - Present	Executive Vice President / Chief Design Engineering Officer
2013 - Present	Executive Director
2013 - 2020	Chief Design Engineering Officer Cho Thavee Public Company Limited.

Other Listed Companies : - none -

Non-listed Companies

1986 - 2013	Engineering manager Cho Thavee Dollasien Company Limited.
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Mr. Chatchai Kantawirut

- Executive Director
- Executive Vice President / Chief of Organizational Excellence

Appointed : On January 1, 2017

Age (Year) : 40

Shareholding in the company(%) : 0.0002

Stake in the company of their spouses and minor children : -none-



Mr. Phard Pimrin

- Executive Director
- Executive Vice President / Chief Information Officer

Appointed : On January 18, 2018

Age (Year) : 49

Shareholding in the company(%) : 0.010

Stake in the company of their spouses and minor children : -none-



Education and Training :

- Bachelor Degree, Industrial Technology, Rajamangala University of Technology ISAN Khon Kaen Campus
- What Business needs to know about Data Science By Cora line
- SBA Business Academy class 1 by KKUIC
- TQA Criteria by 2/2016 and 9/2014 by FTPI
- TQA Application Report Writing class 4/2016 and 3/2014 by FTPI
- TQA Internal Organization assessment class 3/2016 by FTPI
- TLS8001-2010 class 4/2012 By Department of Labour protection and Welfare Ministry of Labour
- Risk-based thinking for ISO 9001:2015, 2015 By TUV Nord
- QMS ISO 9001:2015 Requirement Interpretation 2016 By TUV Nord
- QMS Internal audit for ISO 9001:2015, 2016 By TUV Nord
- What Business need to know about Data Science By CORALINE
- ISO14001:2015 Requirement
- ISO 14001:2015 internal Audit by Induction Safety & Training Equipment Co., Ltd.
- Encouragement for Corporate Social Responsibility by Ministry of Social Development and Human Security
- Online Training in Digital Government & Smart City for Resilience by International Telecommunication Union with National Information Society Agency (NIA) Jeju Island, Republic of Korea



5-year Past Work Experiences :

2020 - Present	Executive Vice President / Chief of Organizational Excellence
2017 - Present	Executive Director
2017 - 2020	Chief Service Officer Cho Thavee Public Company Limited.
2013 - 2017	Domestic Sales and Marketing Manager Cho Thavee Dollasien Public Company Limited.

Other Listed Companies : - none -

Non-listed Companies

2009 - 2013	Domestic Sales and Marketing Manager Cho Thavee Dollasien Company Limited.
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Education and Training :

- Master Degree, Faculty of Business Administration, College of Graduate Study in Management, Khon Kaen University
- Bachelor Degree, Business Administration, Business Computer, North Eastern University
- Certificate, MINI MBA Kasetsart University, Si Racha Campus.
- Windows Server Networking and Administration
- Platinum for Windows and Pervasive SQL database by SAGE software
- Data Center by NSTDA Academy
- IT Security for Listed Company by SET
- IT Audit Workshop for Non - IT Audit class 5 by NSTDA Academy
- IT Audit for non - IT Audit Master class by NSTDA Academy
- SAP Business by Design System configuration by NTZ
- What Business need to know about Data Science By CORALINE
- ISO14001:2015 Requirement
- ISO 14001:2015 internal Audit by Induction Safety & Training Equipment Co.,Ltd
- Supervision of Information Technology by Political Science Association of Thammasat University under The Royal Patronage
- Analytic and Big data for Entrepreneur / Startup by Mahasarakham University



5-year Past Work Experiences :

2020 - Present	Executive Vice President / Chief Information Officer
2018 - Present	Executive Director
2015 - 2020	• Executive Director Chief Information Officer Cho Thavee Public Company Limited. • CSR committee
2013 - 2019	Information Technology Manager Cho Thavee Public Company Limited.

Other Listed Companies : - none -

Non-listed Companies

2001 - 2013	Information Technology Manager Cho Thavee Dollasien Company Limited.
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Miss Yinghathai Ponphangnga Company Secretary

Appointed : On Jan 1, 2011

Age (Year) : 45

Shareholding in the company(%) : 0.016

Stake in the company of their spouses
and minor children : -none-



Education and Training :

- Master Degree, Faculty of Business Administration, KhonKaen University
- Master Degree, Faculty of Business Administration, KhonKaen University
- Bachelor Degree, Faculty of Business Administration, Accounting, North Eastern University
 - Director Accreditation Program (DAP)class SEC/ 2013
 - Effective Minute Taking (EMT) class 26/2013
 - Company Secretary Program (CSP) class 48/2012



5-year Past Work Experiences :

2013 - Present	Company Secretary
2013 - Present	Secretary of President and Chief Executive Officer.
2013 - Present	Head of Import-Export Cho Thavee Public Company Limited.

Other Listed Companies : - none -

Non-listed Companies

2007 - 2013	Company Secretary
2000 - 2012	Oversea Sale administrative Officer Cho Thavee Dollasien Company Limited.



The person who will assume the highest responsibility in finance and accounting (Chief Financial Officer “CFO”) and The person supervising accounting (Chief Accountant)



Mrs. Panthong Nowa

- Executive Director
- Executive Vice President / Chief Financial Officer

Appointed : On October 31, 2020

Age (Year) : 51

Shareholding in the company(%) : 0.0006

Stake in the company of their spouses
and minor children : -none-



Education and Training :

- Bachelor Degree (B.B.A), Faculty of Business Management (Accounting), Accounting Department
- Impact on the new Thai Financial Reporting Standard concerning revenues from contract that regulated customers (TFRS 15), and rental contract (TFRS 16) that effect on listed companies financial reporting in year 2018
- Anti-money laundering and countering the financing of terrorism and the draft of FAP regulations concerning ethics
- Forbidden issues of payment financial transactions and taxes in year 2018
- Preparation of cash flow statement and analysis of cash flow statement.
- Workshop TFRS 9 : Accounting of Financial instruments for non-Financial entities.
- E-payment law, criteria and methods for preparing e-Tax invoice & e-Receipt, e-Withholding tax, e-Filing. 2020
- Accounting Professionals Act in accordance with the law No. 4/2020 on



5-year Past Work Experiences :

2020 - Present	• Executive Vice President / Chief Financial Officer • Executive Director,
2019 - 2020	Vice President / Division Manager, Accounting Manager
2008 - 2020	Chief Accountant
2018 - 2019	Accounting-Finance Manager
2008 - 2019	Accountant Manager, Cho Thavee Public Company Limited.

Other Listed Companies : - none -

Non-listed Companies : - none -



The person supervising accounting (Chief Accountant)



Mrs. Ratchanee Chanda

- The person supervising accounting
(Chief Accountant)
- Accountant Manager

Appointed : On October 31, 2020

Age (Year) : 41

Shareholding in the company(%) : -none-

Stake in the company of their spouses
and minor children : -none-



Education and Training :

- Bachelor's Degree (BA), Faculty of Business Administration (Accounting), Major in Accounting, Northeastern University
- E-payment law, criteria and methods for preparing e-Tax invoice & e-Receipt, e-Withholding tax, e-Filing. 2020
- Accounting Professionals Act in accordance with the law No. 4/2020 on Accounting and Auditing in the COVID-19 situation. (Accounting & Auditing in New Normal)



5-year Past Work Experiences :

2020 - Present	Chief Accountant
2019 - Present	Accountant Manager
2016 - 2019	Assistant Accountant Manager
2015 - 2016	Accountant Cho Thavee Dollasien Company Limited.

Other Listed Companies : - none -

Non-listed Companies : - none -

Details of Directors Management, Controlling Persons and Company and Company Secretary of Related Companies

List	CHO	The Related Companies																												
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	
Board of Director																														
Ms. Phenphimol Veivarut																														
Mr. Suradech Taweesaengsakulthai																														
Asst. Prof. Dr. Anusorn Tamajai																														
Mr. Chatchawan Triamwichamkul																														
Prof. Dr. Asa Prateepasen																														
Ms. Asana Taweesaengsakulthai																														
Mr. Silawat Taveesaengskulthai																														
Company's Management																														
Ms. Narong Ongartmaneerut																														
Mr. Prasobuk Boonkwan																														
Mrs. Panthong Nowa																														
Mr.Sven Markus Gaber																														
Mr. Nopparat Sangsawang																														
Mr. Apichai Chumsri																														
Mr. Nirut Sumongkol																														
Mr. Sakarin Unnim																														
Mr. Chatchai Kantawirut																														
Mr. Phard Pimrin																														
Company Secretary																														
Miss Yingthai Ponphangsa																														

Chairperson of the Company

Executive Director

Board of Director

CHO Cho Thavee Public Company Limited.

Chief Executive Officer

Cho Thavee Public Company Limited.

- | | | |
|---|---|--|
| 1. Khon Kaen Cho Thavee (1993) Co., Ltd. | 11. Tang Hua Sing Nakhon Pathom Co., Ltd. | 20. Bangchak Bioethanol (Chachoengsao) Co., Ltd. |
| 2. German Truck and Bus Co., Ltd. | 12. Khon Kaen City Development (KKT) Co., Ltd. | 21. Smart Consulting and Services Co., Ltd. |
| 3. Iphon Logistics Co., Ltd. | 13. Joint Venture JVCC | 22. Freedom Media for Reform Co., Ltd. |
| 4. Cho Ruamthavee Leasing and Real Estate Co., Ltd. | 14. Joint Venture CKKM | 23. Apex Development Public Co., Ltd. |
| 5. Chia EamSeng Co., Ltd. | 15. Joint Venture SCN-CHO | 24. Star Universal Network Public Co., Ltd. |
| 6. Bangkok CTV Intertrade Co., Ltd. | 16. JVCKK Joint Venture | 25. Cho Ruam Thawi (Laksi) Co., Ltd. |
| 7. Ruamthavee KhonKaen Co., Ltd. | 17. JVOPV Joint Venture | 26. Khon Karen Smart Mobility Co., Ltd. |
| 8. Ruamthavee Motor Sales Co., Ltd. | 18. Thaveesaengthai Nongrue Rice Mill Ltd., Partnership | 27. Mobility as a Service Co., Ltd. |
| 9. A P S Multi-Trade Co., Ltd. | 19. KKT Holding Co., Ltd. | 28. Stargate Auto Co., Ltd. |
| 10. O J Development Co., Ltd. | | |

Details of Directors of Subsidiaries

(As of December 31, 2020)

Name	Subsidiary Company		Associated Company	
	Cho Thavee Termotech Co., Ltd. (TMT)	Amornrattanakosin Co., Ltd. (ARK)	KLRT Company Limited (KLRT)	Alls Holdings Co., Ltd. (ALLs)
Mr. Suradech Taweesaengsakulthai	●	●	●	
Ms. Asana Taweesangsakulthai	●			
Mr. Prasobsuk Boonkwan	●	●		
Mr.Nopparat Sangsawang		●		
Mr.Chokchai Khunwasi			●	
Mr.channarong buristrakul			●	
Mr.Thana Sirithanachai			●	
Mr.Bordin Sereeyothin			●	
Mr. Somsak Dararattanarojna				●
Mr. Surapon Dararattanaroj				●
Miss. Sirinan Dararattanarojna				●
Mr.Saringkarn Sutaschuto				●
Mr. Komol Dararattanarojna				●

Note ● Chairperson of the Company
● Board of Director

Attachment 3 Chief of internal audit and Chief of compliance of the Company's information

Ms. Apsorn Suriya Internal Audit Manager

Age (Year) : 55



Education and Training :

- Bachelor’s degree Business administration Accounting branch Vongchavalikul College
- Internal Auditing Certificate Program (IACP)
 - Revenue from contracts with customers (TFRS 15) and leases (TFRS 16) with accounting guidance on August 15, 2020
 - Preparation of transfer price documents and procedures that accountants should know (Transfer pricing) on December 5, 2020
 - Preparation of cash flow statement and cash flow statement analysis on September 21, 2019
 - The issue of account closure in accordance with accounting standards on November 6, 2019
 - Analytical Thinking in the Internal Audit Process on June 20-21, 2018
 - Review of preparation process and follow up on the implementation of the strategic plan on March 25, 2017
 - Review of the internal control system using a universal internal control framework on April 1, 2017
 - Training project to certificate of internal audit on May 20 – July 29, 2017



Past Work Experiences :

Time period (A.D.)	Position and Name of Firm/Corporation/Organization	Responsibility
2012 - Present	Internal Audit Manager Cho Thavee Public Company Limited.	• Comprehensive of performance and effectiveness of internal control, good corporate governance, and risk management. • To review of financial and non-financial information with authenticity and reliability. • To follow on policy compliance, legal compliance, rules and regulations. • To inspect of issue that may lead to conflicts of interest. • To review the sufficiency and effectiveness of risk management and internal control to prevent corruption in the organization. • To review efficiency and effectiveness in the operation of resources used. • Supervising on Company’s property.
January - October 2012	Internal Audit Officer Cho Thavee Dollasien Company Limited.	
2007 - 2012	Accounting Manager Volrep Truck and Bus Co., Ltd.	
2003 - 2012	Accounting Manager KhonKaen Cho Thavee (1993) Co., Ltd.	

Mr. Nataporn Mungjanthar

- Assistant Manager of Legal Department
- Compliance

Age (Year) : 35

Education and Training :

- Bachelor of Laws, The University of Central Thailand, Nakhon Sawan
 - Being registered as the certifier of the signature of business registration office
 - Certificate from the council of lawyer
 - Anti-corruption Training Courses
 - Training course of the quality assessment annual general meeting of listed company No. 1
 - Training course of the disclosure of the listed company’s information through SCP Straight Through

Past Work Experiences :

Time period (A.D.)	Position and Name of Firm/Corporation/Organization	Responsibility
2011- Present	Assistant Manager of Legal Department / Compliance Cho Thavee Public Company Limited.	- To regulate the Company abide by the rules act, regulations, announcements of the Securities and Exchange Commission (SEC), Principles of Corporate Governance (CG) issued for public and private affiliated companies, as well as the law related to normal business operations. - To prepare and review contracts of the Company and its affiliates. - To perform of debts collection, to enforce both civil and criminal litigation execution that related to the Company and its affiliates. - To prepare the document and registration of the amendment of the regulations, rule, and resolutions towards relevant government agencies. - To coordinate the legal transactions and registration contracts relating to the Company’s assets.
2009 - 2011	Attorney, Pitak Tanaikwam law office	To provide advice on civil and criminal cases, debt collection, and enforcement



Attachment 4 Review of Business Asset and Asset Revaluation
(1) Commercial Assets as of December 31, 2020

Asset Items	Ownership	Usage	Book Value (million)	Obligations	Pledge limit
1. Land and land improvement					
1.1. Title deed no. 11622,39614,50100 Muangkhao subdistrict, Muang Khon Kaen district, Khon Kaen province, in total of 3 deeds, total area of 48-2-16.1 rai	CHO	Headquarters and factory of the company and a subsidiary (CTV-TMT) as specified in a note to the Financial Statements item 3.9	255.30	Pledged with Krung Thai Bank Public Co., Ltd.	191.63
1.2. Title deed no. 4552, Pralub subdistrict, Muang Khon Kaen district, Khon Kaen province, total area of 9-1-8.5 rai	CHO	Property investment as specified in a note to the Financial Statements item 3.5.8	64.90	Pledged with TMB Bank Public Co., Ltd.	26.00
1.3. Title deed no. 100646-50, 100659 Nai Muang subdistrict, Muang Khon Kaen district, Khon Kaen province, total area of 0-1-08.9 rai	CHO	Land, housing for employee welfare as specified in a note to the Financial Statements item 3.9	8.30	N/A	N/A
1.4. Title deed no. 73096 Koksi subdistrict, Muang district, Khon Kaen province, total area of 7-1-67 rai	CTV-TMT	Property investment as specified in a note to the Financial Statements item 3.5.8	17.22	Pledged with Bangkok Bank Public Co., Ltd.	16.00
1.5. Land under possession right, Tha Phra subdistrict, Muang Khon Kaen, Khon Kaen, total area of 6-3-64 rai	CHO	Property investment as specified in a note to the Financial Statements item 3.5.8	8.60	N/A	N/A
Total Land and land improvement			354.32		

Asset Items	Ownership	Usage	Book Value (million)	Obligations	Pledge limit
2. Building and building improvement					
2.1. Buildings no. 265 moo 4 Klangmuang road, Muangkhao district, Muang Khon Kaen, Khon Kaen (deeds no. 39614, 50100 and 11622)	CHO	Headquarters and factory of the company and subsidiary (CTV-TMT)	165.09	Pledged with TMB Bank Public Co., Ltd.	820.00
				Pledged with Krung Thai Bank Public Co., Ltd.	460.00
2.2. Factory at Chonburi no. 66/5 moo2, Pong district, Bang Lamung, Chonburi (Title deeds no. 47813 and 49992 land in 7-0-30 rai the company made a lease contract with the leaseholders.	CHO	Chonburi Branch	5.37	N/A	N/A
2.3. House no. 173/51-55,67 Nai Muang subdistrict, Muang Khon Kaen District, Khon Kaen	CHO	Employee welfare housing	2.06	N/A	N/A
2.4. House no. 5 (Riverside house) Koksi subdistrict, Muang district, Khon Kaen province	CTV-TMT	Building for future projects	6.53	Pledged with Bangkok Bank (Public) Co., Ltd.	16.00
2.5. Building of One Stop Service center (deeds no. 89117, area of 13-2-72 rai, the company made a contract with the lease rightsholder)	CHO	Used as Sib Lor 24 hours by CHO, One Stop Service Center for commercial vehicle	73.37	N/A	N/A
2.6. Building of Bang Bua Thong service center (Title Deed no. 159991, the width area of the land is 15 meters, the large is 40 maters, the company made a lease contract with the leaseholders.	CHO	Maintenance service center	2.44	N/A	N/A

Asset Items	Ownership	Usage	Book Value (million)	Obligations	Pledge limit
2.7. Building of NGV Maintenance service center of BMTA	CHO	Maintenance service center	7.76	N/A	N/A
Total Building and building improvement			262.62		
3. Machine and equipment	CHO and CTV-TMT	Used at office and factory	36.67	N/A	N/A
4. Decoration and office stationery	CHO and CTV-TMT	Used at office and factory	18.21	N/A	N/A
5. Vehicle	CHO and CTV-TMT	Used at office and factory	58.08	N/A	N/A
6. Assets under construction (factory building under construction, Production machinery during installation	CHO and ARK	Used at office and factory	384.92	N/A	N/A
7. Product display	CHO	Used at office and factory	4.16	N/A	N/A
Total			502.04		

Remark : CTV-TMT is Cho Thavee Thermotech Co., Ltd
ARK is Amornrattanakosin Co., Ltd.

- During 2020, the Company sold investment property which was land to other party with the carrying amount of Baht 254.8 million. The Company received in total amount and transferred gain on revaluation reserve related to the sold property in amount of Baht 43 million to retained earnings.
- During 2019, the Company sold investment property which was land to other party with the carrying amount of Baht 79.3 million. The Company received in total amount and recorded as gain on sale of asset of Baht 40.7 million in the account of other income in the statement of comprehensive income.

(2) Non-tangible assets for business operation

As of December 31, 2020 the company and its subsidiaries reported non-tangible assets of THB 18.77 million consisted of computer software (Accounting program, purchasing program, document management program, product design program, and product quality control program), deferred cost () trademark, patent cost during registration, and cost of computers that are under installation.

The Company and its subsidiaries has registered Logo and trademark for Brand Logo with following details.

No.	Trademark	Ownership	Detail
1		CHO	In the process of applying for trademark, used for products of Cho Thavee Public Company Limited
2			Trademark used for DOLL product type or Products that are jointly developed between the company and DOLL
3			Trademark used for products designed and developed by CHO
4			Trademark used for products designed and developed by CHO
5		CTV-TMT	Trademark for products of Cho Thavee Thermotech Co., Ltd., (subsidiary)
6			Trademark used for products of Cho Thavee ThermotechCo., Ltd. (subsidiary)

Remark : No. 1 is in the process of applying for trademark

(3) Intellectual property

The company intellectual property used for business operation is petty patent, having fair value of 61,000,000.00 Baht as of the evaluation date of January 5, 2015.

Table showing cost per unit of each evaluated petty patent in the previous year			
Evaluated petty patent	Unit price for 2012-2014		
	2012	2013	2014
1) Docking bridge roof structure for Catering truck	287,398.42	264,209.74	305,866.52
2) Stabilizer structure for Catering truck	132,534.29	178,547.76	146,431.28
3) Chassis length extension set	16,859.41	16,426.33	17,326.44
4) Vehicle stair	16,500.00	16,500.00	16,500.00
5) Stair	2,700.00	2,700.00	2,700.00
6) Vehicle mounted ladder	6,000.00	6,000.00	6,000.00
7) Adjustable cross bar extension set	221,680.20	-	295,800.00
8) Joint set for extension bar	15,000.00	15,000.00	15,000.00
9) Mechanical set for opening-closing side of trucks	-	-	-
10) Side truck protective equipment	9,000.00	9,000.00	9,000.00
11) Equipment for positioning cargo box	6,000.00	6,000.00	6,000.00

The company has registered sub-patents and product design patents in a total of 101 items. There are lesser of 2 items from the year 2019 as 5 items are waiting for the renewal, details as follows.

No.	Patent / Petty Patent and Product design patents	Received date	Expired date
1	The ladder for getting on-off the truck	26 Dec. 2011	21 Sep. 2021
2	Equipment for protection of the truck’s side	12 Sep. 2012	19 Oct. 2021
3	The roof structure of the bridge to be berthed to Airplane for Hi-loaders catering truck	04 Jan. 2013	19 Oct. 2021
4	The structure of the supported legs of Hi-loaders catering truck	04 Jan. 2013	19 Oct. 2021
5	Set of extending the length of chassis bottom	04 Jan. 2013	19 Oct. 2021
6	Equipment for defining the position of laying cargo	19 Jul. 2013	19 Oct. 2021
7	Rear catering truck braced leg mount	7 Apr. 2015	19 Oct. 2021
8	Locking latch	19 May. 2015	13 Mar. 2021

No.	Patent / Petty Patent and Product design patents	Received date	Expired date
9	Engine accelerating pneumatic cylinder	19 May. 2015	10 Apr. 2021
10	Truck framing part	19 May. 2015	10 Apr. 2021
11	Rail castor	15 Jun. 2015	29 Nov. 2021
12	Truck ramp-up bridge	21 Jul. 2015	10 Apr. 2021
13	Sling controller reel	21 Jul. 2015	6 Feb. 2021
14	Pickup unlocking device	21 Jul. 2015	21 Sep. 2021
15	Door sliding frame	11 Jun. 2015	21 Sep. 2021
16	Compressor parts	28 Jun. 2015	15 Dec. 2020
17	Tow equipment	18 Jun. 2015	29 Nov. 2021
18	Shelf	19 Oct. 2015	10 Apr. 2021
19	Cap of water tank	19 Oct. 2015	13 Mar. 2021
20	Metal section	19 Oct. 2015	15 Dec. 2020
21	Metal section	19 Oct. 2015	15 Dec. 2020
22	Side vehicle access ladder	19 Oct. 2015	10 Apr. 2021
23	Metal section	19 Oct. 2015	15 Dec. 2020
24	Rail castor	08 Oct. 2015	08 Jan. 2022
25	Rail castor	08 Oct. 2015	08 Jan. 2022
26	Set of metal section	09 Dec. 2015	15 Dec. 2020
27	Parts of the truck	09 Dec. 2015	10 Apr. 2021
28	Ladder	09 Dec. 2015	13 Mar. 2021
29	Entrance barrier equipment	09 Jan. 2016	12 Dec. 2021
30	Truck tailgate locking equipment	14 Jan. 2016	10 Nov. 2020
31	Parts of truck frame	14 Jan. 2016	26 Sep. 2020
32	Equipment for lifting trash	14 Jan. 2016	26 Dec. 2020
33	Truck frame	14 Jan. 2016	26 Sep. 2020
34	Equipment for wide extension of the truck	14 Jan. 2016	26 Sep. 2020
35	Truck framing part	14 Jan. 2016	26 Sep. 2020
36	Truck frame	14 Jan. 2016	26 Sep. 2020
37	Ladder for vehicle	14 Jan. 2016	10 Apr. 2021
38	Equipment for the attachment of spare tires	29 Jan. 2016	14 Sep. 2020

No.	Patent / Petty Patent and Product design patents	Received date	Expired date
39	Clamp equipment	29 Jan. 2016	10 Nov. 2020
40	Truck tailgate locking equipment	29 Jan. 2016	10 Nov. 2020
41	Equipment for adjustment of the torsion of springs	29 Jan. 2016	10 Apr. 2021
42	Equipment for open-close doors of vehicle	29 Jan. 2016	10 Nov. 2020
43	Truck tailgate locking equipment	29 Jan. 2016	14 Sep. 2020
44	Spare tires locking equipment	29 Jan. 2016	10 Nov. 2020
45	Truck side gate locking equipment	29 Jan. 2016	14 Sep. 2020
46	Locking equipment	29 Jan. 2016	10 Nov. 2020
47	Equipment for attachment of caster for belt adjustment	30 Mar. 2016	06 Feb. 2021
48	Truck tailgate locking equipment	10 Mar. 2016	26 Sep. 2020
49	Truck tailgate locking equipment	10 Mar. 2016	26 Sep. 2020
50	Equipment for triggering car tires	10 Mar. 2016	26 Sep. 2020
51	Part of equipment for truck axle attachment	10 Mar. 2016	26 Sep. 2020
52	Metal section	06 Nov. 2015	08 Dec. 2020
53	Locking latch	10 Mar. 2016	26 Nov. 2020
54	Equipment for triggering car tires	10 Mar. 2016	26 Sep. 2020
55	Supported beam for cargo box	05 Apr. 2016	19 Oct. 2021
56	Part for supporting frame of cargo box truck	05 Apr. 2016	19 Oct. 2021
57	Conveyor bridge	05 Apr. 2016	19 Oct. 2021
58	Drawer structure for vehicle	05 Apr. 2016	19 Oct. 2021
59	Equipment for attachment of vehicle wheel chock	18 Apr. 2016	19 Oct. 2021
60	Set of fixture with hydraulic cylinder for truck	08 May. 2016	07 Dec. 2021
61	Car set	03 May. 2016	15 Aug. 2020
62	Part for supported legs	03 Jun. 2016	08 Jan. 2022
63	Part for supported legs	13 Jun. 2016	29 Nov. 2021
64	Truck framing part	13 Jun. 2016	14 Sep. 2020
65	Truck framing part	09 Jun. 2016	26 Sep. 2020
66	Lever for on-off control	09 Jun. 2016	10 Apr. 2021
67	Side vehicle access ladder	09 Jun. 2016	10 Apr. 2021
68	Trailer frame for truck	09 Jun. 2016	21 Feb. 2021

No.	Patent / Petty Patent and Product design patents	Received date	Expired date
69	Part of elevator structure	09 Jun. 2016	09 Nov. 2021
70	Part of elevator structure	09 Jun. 2016	09 Nov. 2021
71	Control switch of supported legs	07 Apr. 2016	13 Mar. 2021
72	Weight supporter for truck	27 Sep. 2016	06 Feb. 2021
73	Weight supporter for truck	27 Sep. 2016	06 Feb. 2021
74	Pickup	27 Sep. 2016	06 Sep. 2021
75	Frame of cargo box door	27 Sep. 2016	06 Sep. 2021
76	Part of lift structure	27 Sep. 2016	06 Sep. 2021
77	Hydraulic cylinder mounting	27 Sep. 2016	09 Nov. 2021
78	Truck cab Structure	27 Sep. 2016	09 Dec. 2021
79	Bridge for delivery things into aircraft	27 Sep. 2016	07 Dec. 2021
80	Folding mechanism to prevent falling down	27 Sep. 2016	07 Dec. 2021
81	Part of cargo Box	27 Sep. 2016	07 Dec. 2021
82	Vehicle Bumper	11 Aug. 2016	29 Nov. 2021
83	Weight supporter for truck	14 Jul. 2016	06 Feb. 2021
84	Hydraulic controlling handle	24 Nov. 2016	21 Sep. 2021
85	Bracket for mounting controlling device in vehicle	09 Sep. 2016	13 Mar. 2021
86	Part of truck structure	01 Aug. 2017	26 Nov. 2025
87	Ladder for Vehicle	07 Aug. 2017	17 Dec. 2025
88	Shelve	16 Jan 2018	15 Dec. 2020
89	Vehicle ladder	17 Jan. 2018	01 Mar. 2026
90	Locking equipment	24 May. 2018	17 Dec. 2025
91	Air conditioning pipe cover	9 May. 2018	1 Mar. 2026
92	Truck frame	26 Jul. 2018	14 Sep. 2020
93	Airplane wall mock up	1 Oct. 2018	10 Jan. 2027
94	Wind gauge protective device	23 Aug. 2018	20 Dec. 2026
95	Fastening device	12 Oct.2018	10 Jan. 2027
96	Load-bearing equipment for trucks	13 Jul. 2018	20 Dec. 2026
97	Handle bar	13 May 2018	17 Dec. 2025
98	Door locking equipment	24 Jan. 2019	8 Mar. 2027

No.	Patent / Petty Patent and Product design patents	Received date	Expired date
99	Ventilation Fan Frame	10 Jan. 2019	8 Mar. 2027
100	Patient bed frame	5 Aug. 2019	3 Mar. 2027
101	Vehicle ladder locking device	5 Nov. 2019	15 Aug. 2027

Remark : as of December 31, 2020, the company was on process to request sub-patents / or patents registration of 19 items, and to renew 5 more items

(4) Contracts related to assets

Building lease agreement

The company made an agreement to lease a building with Ms. Rungtiwa Taweesaengsakulthai (Persons connected to shareholders and directors) to be used as Bangkok office branch with following contract details.

Laksi office lease agreement	
Address	No. 96/25 Vibhavadi rangsit road, Talad Bangkhen, Laksi, Bangkok 10210
Contract party	Ms.Asana Taweesaengsakulthai
Lease area	2,894 square maters
Rental cost	100,000 Baht / month (The tenant will pay the rent to the tenant once on the maturity date of the contract.)
Period	1 year (from November 1, 2020 to October 31, 2021)

Remark : /1 = Ms.Asana Taweesaengsakulthai is the trustee for Ms. Rungtiwa Taweesaengsakulthai

Land lease agreement

The company made a land sublease agreement with Mr.Torsak Lophaisankrit (10 year lease right holder) to be used as Chonburi office with the following contract details:

Land sublease agreement, Chonburi	
Address	Title deed no. 49992 land no. 77 Pong Subdistrict, Bang Lamung District, Chonburi 20150 Title deed no. 49992, Map sheet 77, Pong Subdistrict, Bang Lamung District, Chonburi 20150
Contract party	Mr. Sophon Thimthiang
Lease area	7-0-30 rai
Rental cost	300,000 Baht / year
Period	3 years (from February 16, 2018 to February 16 2021) The Contract can be renewed for a period of 3 years each.

The company made a land and building lease contract with Ms. Pin Kongsomsawang, to be used as truck maintenance service center with following contract details

Land sublease agreement, Phra Nakorn Si Ayudhaya	
Address	Title deed no.16586, Map sheet 166, Lumsia subdistrict, Wangnoi district, Phra Nakorn Si Ayudhaya 13170
Contract party	Ms. Pin Kongsomsawang
Land area	8 rai
Rental cost	250,000 Baht / month
Period	3 years (from December 15, 2019 to December 15, 2022)

The company made a land and building lease contract with Mrs. Somboon Ayttaonpipat to be used as truck maintenance service center with following contract details

Land sublease agreement, Surat Thani	
Address	Title deed no.33041, Map sheet 106 Huatei Subdistrict, Punpin District, Surat Thani Province 84130 Title deed no.33042, Map sheet 105 Huatei Subdistrict, Punpin District, Surat Thani Province 84130
Contract party	Mrs. Somboon Ayttaonpipat
Land area	5-2-16 rai and 99 square mater
Rental cost	600,000 Baht / month
Period	15 year (from April 30, 2019 to April 30, 2034)

The company made a land and building lease contract with Mr. Manoch Tangthikul to be used as truck maintenance service center with following contract details

Land sublease agreement, Nonthaburi	
Address	Title deed no.159991, Map sheet 102, Laharn Subdistrict, Bang Bua Thong District, Nonthaburi Province 11110
Contract party	Mr. Manoch Tangthikul
Land area	Width 15 maters, length 40 meters
Rental cost	20,000 Baht / month
Period	10 years (from December 1, 2016 to November 30, 2026)

The company made a land and building lease contract with Mr. Somchai Suratusaneewattanaporn to be used as truck maintenance service center with following contract details

Land sublease agreement, Nonthaburi	
Address	Title deed no.89117, Map sheet 567, Nongkham subdistrict, Sriracha district, Chonburi province 20110
Contract party	Mr. Somchai Suratusaneewattanaporn
Land area	13-2-72 rai
Rental cost	1,700,000 Baht / year
Period	15 years (from November 21, 2016 to November 20, 2031)

Building lease agreement

The company made a building lease contract with Cho Thavee Thermotech Co., Ltd. (a subsidiary) consisted of building and factory used as the head office of the subsidiary, and office building 2nd floor at Bangkok to be used as a branch of the subsidiary. The company also made a building lease contract with Khon Kaen Cho Thavee (1993) Co., Ltd. (a company connected with shareholders and directors) consisted of the headquarters area to be used as the headquarters of Khon Kaen Cho Thavee (1993) Co., Ltd. with the following 3 contract details.

Building lease contract	
Address	Title deed no.11622, Map sheet 39, Parcel no. 4968 Muang Khao Subdistrict, Muang Khon Kaen District, Khon Kaen Province 40000
Contract party	Cho Thavee Thermotech Co., Ltd.
Lease area	Some parts of the title deed on the east side, lease area 720 square meters (width 15 maters x length 28 maters)
Rental cost	124,110 Baht / month
Period	3 years (from July 1, 2019 to June 31, 2022)

Office space rental agreement, 2nd floor	
Address	No. 96/25 Vibhavadi rangsit road, Talad Bangkhen, Laksi, Bangkok 10210
Contract party	Cho Thavee Thermotech Co., Ltd.
Rental cost	20,000 Baht / month
Period	3 years (from January 2, 2019 to December 31, 2021)

Office space rental agreement	
Address	No. 265 Moo 4 Klangmang road, Muang Khao Subdistrict, Muang Khon Kaen District, Khon Kaen Province 40000
Contract party	Khon Kaen Cho Thavee (1993) Co., Ltd.
Rental cost	30,000 Baht / month (The rental cost will be paid once on the maturity date of the contract.)
Period	1 year (from January 2, 2020 to December 31, 2020) The contract is renewed (from January 2, 2021 to December 31, 2021)

Insurance policy

Contract party	Allianz Ayudhya General Insurance Public Co., Ltd.
Insurance policy no.	GTL-04373-05102-001
Type of insurance	Group insurance
Insured Assets	No. 265 Moo 4 Klangmuang road, Muang Khao Subdistrict, Muang Khon Kaen District, Khon Kaen Province 40000
Period	1 year (from February 28, 2020 to February 27, 2021)
Insured amount	73,100,000 Baht (Baht seventy-three million one hundred thousand only)
Beneficiary	Cho Thavee Public Company Limited
Contract party	Safety Insurance Public Co., Ltd.
Insurance policy no.	720-1111-6222
Type of insurance	Property insurance
Insured Assets	No. 96/25 Vibhavadi rangsit road, Talad Bangkhen, Laksi, Bangkok 10210
Period	1 year (from April 4, 2020 to April 4, 2021)
Insured amount	6,630,000 Baht (Baht Six million sixty-three thousand only)
Beneficiary	Cho Thavee Public Company Limited

Contract party	Tokio Marine Safety Insurance (Thailand) Public Co., Ltd.
Insurance policy no.	DL-11-63/000085
Type of insurance	Property insurance
Insured Assets	No. 265 Moo 4 Klangmuang road, Muang Khao subdistrict, Muang Khon Kaen district, Khon Kaen province 40000
Period	1 year (from July 4, 2020 to July 30, 2021)
Insured amount	135,300,000 Baht (Baht one hundred thirty-five million three hundred thousand only)
Beneficiary	Cho Thavee Public Company Limited
Contract party	Bangkok Insurance Public Co., Ltd.
Insurance policy no.	720-01551-542
Type of insurance	Property insurance
Insured Assets	62 Moo 2 Lumsia subdistrict, Wangnoi district, Phra Nakorn Si Ayudhaya 13170
Period	1 year (from April 4, 2020 to April 4, 2021)
Insured amount	149,950,000 Baht (Baht one hundred forty-nine million nine hundred fifty thousand only)
Beneficiary	Cho Thavee Public Company Limited
Contract party	Bangkok Insurance Public Co., Ltd.
Insurance policy no.	720-01111-6223
Type of insurance	Property insurance
Insured Assets	No. 96/25 Vibhavadi rangsit road, Talad Bangkhen, Laksi, Bangkok 10210
Period	1 year (from April 4, 2020 to April 4, 2021)
Insured amount	1,000,000 Baht (Baht one million only)
Beneficiary	Cho Thavee Public Company Limited

Audit Committee’s Report

Attention to Shareholders

The audit committees of Cho Thavee Public Company Limited (the Company) comprising of three independent directors who are competency, independent, knowledgeable and experienced in the field of economics, social, political including the knowledge concerning the defining of strategy and organization management in the field of engineering, financial, accounting and taxation, corporate good governance, risk management and business auditing. With the above mentioned knowledge, supported to the audit committees in performing their duties with effectiveness, Asst. Prof. Dr. Anusorn Tamajai Chairman of the audit committees, Prof. Dr. Asa Prateepasen and Mr. Chatchawan Triamvicharnkul are the member of audit committees.

The audit committees perform their duties according to the responsibilities assigned by the Company’s Board of Directors and to the designed charter of the audit committees. During 2020’s, there were 12 meetings of the audit committees. All of the audit committees attend the meeting as the detail. Moreover, the audit committees have invited the executive, the external auditor, the internal auditor, the legal department and the risk management department to attend the meeting appropriately. The details of the meetings are as follows.

The audit committees	The number of participation / The number meeting
Asst. Prof. Dr. Anusorn Tamajai	12/12
Prof. Dr. Asa Prateepasen	12/12
Mr. Chatchawan Triamvicharnkul	12/12

The audit committees have considered many matters which can be summarized as follows:

1. To consider and review quarterly financial statements, financial statements for year 2020 of CHO and its subsidiary including the CHO’s joint venture to meet with the general accepted accounting principles, accounting standard, and the basis of the changes in significant accounting principles, including the disclosure of important information and necessary for the decision making of the users of financial statements as accurately, adequately, and being on time.
2. To review CHO in order to commit to the accounting standard in accordance with all of the announcements from Accounting Profession Council, and the practice conformed to the legal and the regulations of The Securities and Exchange Commission (“SEC”) and/or The Stock Exchange of Thailand (“SET”), including other related law which remains in forced with CHO’s business as accurately and completely.
3. To review the related transactions between CHO, the shareholders, its subsidiary and the related company, including CHO’s joint venture, for the assurance that the related transactions were the transactions operated in accordance with normal business condition, without the transmission of benefits and operated for the ultimate benefit of CHO.

4. To review and ensure that CHO having transparent, efficient and appropriate internal control systems and internal auditing, by following up on the performance of the internal audit department complied to the profession standard as independently and efficiency. Also, to give an advice in order to perform the business operation complying with the rules, regulations and CHO’s policy. Including reasonably assuring for the appraisal of CHO’s internal controls are sufficiency and appropriately.
5. To consider and review the policy and operational manual, including the internal audit department’s operation plan having the performance covered roles and responsibilities of audit committees. Also to support the internal auditor developments in order to have quality operation according to the global standards.
6. To review on the adequate and the appropriate risk management system of CHO by having the quarterly meeting with the Chief of Risk Management Officer, for the consideration of designating audit plan and audit operation of existing risk (Risk base audit).
7. To support and supervise CHO having the operation complied with safety standard and taking good care of the environmental conditions of the production factory, repair and maintenance center, as well as the surrounding society and community. Also, to support and supervise CHO having the operation complied with Good Corporate Governance and Anti-Corruption policy.
8. To consider selecting the appointment of the auditor for the year 2020, and offering the appropriate remuneration accordance with the performance and responsibility, to KPMG Phoomchai Audit Limited (“KPMG”). There were quarterly independently meeting between the auditor and the audit committees, without the attendance of the company’s executives or officers, in order to discuss the problems from reviewing the financial statements, and promptly resolve the significant matters, also, confirming the independency of the audit committees’ operation.
9. To develop the audit committees’ operation by reviewing on the charters of audit committees in corresponding with rules and regulations of SEC and SET, including the Good Corporate Governance policy of CHO, for the assurance of the shareholders, the creditors, the suppliers, and the customers, including the other stakeholders of CHO, that CHO performed complied with the regulations and under code of conduct, and maintain the efficiency internal control. To have the self-assessment on the performance in order to acknowledge the output, including the problems for further improving and correcting the performance of audit committees and all parties concerned. The basis of the assessment based on the consideration whether each of the matter has been done and in what degree of effective. During the year 2020, the performance appraisal was in the basis of good to very good. Furthermore, the audit committees have attended the training and seminar as appropriately, in order to develop and support knowledge and ability of the audit committees concerning on the accounting standard, Good Corporate Governance, internal control system, internal auditing, and risk management.
10. To recommend and advise for improvement of the operation by assigning management team to analysis controllable and uncontrollable expenses, and the team have toprepare proper plan and measure.

The audit committees have followed CHO’s operation during the year 2020 according to the scope of authorities and responsibilities. The audit committees would like to express the opinion that CHO’s financial reports were prepared accurately with significantly complied with the general accepted accounting principles. There was the disclosure of sufficient information about the related transactions or the transactions which may cause the conflict of interest. There were the internal controls and the risk managements in appropriated with business conditions. There were the operations in compliance with laws, SET regulations, and the related laws as accurately and completely, including to the practice of Good Corporate Governance for listed company in SET.

(Asst. Prof. Anusorn Tamajai)
Chairman of the audit committees
February 24, 2021

Attachment 6

Full Version of Corporate Governance Policy and Guidelines
and Code of Conduct

Corporate Governance

Report the Corporate Governance, Risk Management and Nomination and Remuneration Committee, as the company has revealed on the company’s website below;

 <https://investor.cho.co.th/storage/content/corporate-governance-principle/20210315-cho-corporate-governance-th.pdf>

Audit Committee Charter, the company has revealed on the company’s website below;

 <https://investor.cho.co.th/storage/content/corporate-governance-principle/audit-committee-charter-th.pdf>

Anti – Corruption Policy

Set the responsibilities, guidelines and appropriate terms in order to prevent the corruption, the company has revealed the full version on the company’s website below;

 https://investor.cho.co.th/storage/content/corporate-governance-principle/20170822-cho-anti-corruption_policy-en.pdf

Code of Conduct

The Company Code of Conduct was established in 2013 and revised in 2016. Driving the company operation to accuracy, transparency, fairness, and verifiability included treating employees fairly. The full version of Company Code of Conduct can be found on the company’s website below;

 <https://investor.cho.co.th/storage/content/corporate-governance-principle/cho-code-of-conduct-en.pdf>



Cho Thavee Public Company Limited

265 Moo 4 Klang Muang Road, Muangkhae,
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www.cho.co.th



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One Report



Location of branch office 1 (Bangkok)

96/25 Vibhawadee Rangsit road, Talad Bangkhen,
Laksi district, Bangkok 10210.



Tel : 0-2973-4382-4



Fax : 0-2973-4385



Location of branch office 2 (Chonburi)

66/5 Moo 2, Tambol Pong, Amphor Banglamung, Chonburi, 20150



Tel : 038-227-378



Fax : 038-227-378



Location of branch office 3 (Phra Nakhon Si Ayutthaya)

62 Moo 2, Tambol Lamsai, Amphor Wangnoi,
Phra Nakhon Si Ayutthaya 13170.



Tel : 035-257-085



Fax : 035-257-086



Location of branch office 4 (Laem Chabang, Chonburi)

37/30 Moo 1 Tambol Nong Kham, Amphor Si Racha ,Chonburi, 20230



Tel : 033-005-131



Fax : 033-005-132