



56-1 One Report

2021

Communication & System Solution PLC.





Geared towards...the company to grow
With good...Corporate Governance

The company operates 3 main businesses.



Installation Business

Operate an installation service business by providing design and installation services Telecommunication and fire protection systems including providing telecommunication maintenance services and other coordination.



Distribution Business

Service business One-stop distribution of electrical equipment It is a quality product as follows:

- Wire : Phelps Dodge, Belden, Commscope,
- Conduit : Arrow, T.G.G./TAP
- Switch : Bticiino Transformer : Thai Trafo
- Emergency Lighting Equipment : Max Bright
- Medium Pressure Switch gear : Lucy
- Fire Protection Equipment : 3M



Information Technology

System business information technology The company provides comprehensive information technology development services as well as innovative information technology concepts that are suitable for the needs of government agencies, state enterprises and private sectors.

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Message from Chairman and CEO



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Corporate governance

At the level of excellent (Excellent)

by the Thai Institute of Directors Association



Quality of holding a general meeting of shareholders
of the listed company for the year 2021

At the level of excellent (Excellent)

by the Thai Investors Association

”

Dear Stakeholders,

Communication and Systems Solutions Public Company Limited continues to adhere to the principles of business operations based on sustainability under good governance. In the past year Although the company will face many challenges that affect various work processes, but the results in 2021 can well reflect the capacity of management under change factors, both the monetary goals and the goals that not money. For the financial effectiveness, the company was able to generate income from management of the company and its subsidiaries totaling 4,010 million baht. Net profit was 246 million baht, an increase of 165% from the previous year with a net profit per share of 0.21. This is due to the commitment of all executives and employees. including unity and cooperation to strictly control unnecessary expenditures in order for the organization to go through various crises effectively. In addition, the company also aims to maintain non-monetary effectiveness reflects the intention and determination to drive business on the basis of sustainability which summarizes the important issues in various dimensions as follows:

Economics from the company's goal to become a high-performance organization. By maintaining standards in various areas of operation, as well as paying attention to increasing the efficiency of the business to be transparent, throughout the period of 2021, the Company can reflect financial results satisfactorily. Even work is fraught with obstacles from the COVID-19 pandemic situation. The Board of Directors has duty to express opinions and provide recommendations that are more beneficial to the management, as well as to focus on monitoring the reporting of performance closely and continuously. In order to ensure a quick resolution of the situation, this will affect the preservation of the confidence of all stakeholders to be satisfied and carefree. This year's results have resulted in the company maintaining operating standards under the Good Corporate Governance Survey program. The Thai Institute of Directors for the fourth year in a row has achieved a 90% rating on the 5-star scale and maintained the 5-star rating of the 2021 Annual General Meeting of Shareholders with a score of 100%.

Social aspects are an important dimension that the company pays a lot of attention to because the current administration is related to various stakeholder groups. The company focuses on the process of creating a common value to contribute to the creation of a truly sustainable society. It starts with the company's key internal stakeholders such as employees, who are the driving forces for success with the organization, including being a good delivery of goods and services to customers as well as other external stakeholders to benefit and the highest satisfaction. Administrative policies, including practices, are implemented on the basis of the principles of Human rights in accordance with the framework of the value chain are important. For the plan that has featured in recent years. The company has focused on occupational safety and health. Due to the COVID-19 pandemic, there is still a continuous spread to date, which may inevitably pose a risk to the management of the company. Therefore, the organization's operational plan, including activities, will be aimed at ensuring the health of all employees and stakeholders. To be safer as well as to have a stronger physical and mental state.

Environmentally, the company continues to operate in accordance with the guidelines. Maintaining and developing the environment to contribute to sustainable mutual benefit. In 2021, The Company is committed to pollution prevention and promoting activities that have a positive impact on climate change. Climate change, such as increasing the use of renewable energy. Requiring environmental monitoring alongside the operating process annually such inspection companies must be certified for their ability to perform tests by the Ministry of Industry. In addition, the purchasing system policy has been updated. By try to using some environmentally friendly growth related factors as criteria for selecting products and service providers as well.

Finally, on behalf of the Board of Directors, we would like to express our gratitude to shareholders, customers, employees, usiness partners, as well as all stakeholders who have always had confidence and support. The Company will strive to achieve the goals and contribute to the valuable growth with all of you sustainably.



(Mr.Sompong Kangsawiwat)

Chairman and Chief Executive Officer



CABLE   A global supplier of power cable, transmission cable, building wire, communication cable and copper rod.	PRYSMIAN CABLES & SYSTEMS  Pirelli Cable Fire Resistant Cable, Control & Instrument Cable: Pirelli Cables & Systems Pirelli has become Prysmian Cables & Systems	COMMSCOPE  HOSI WELL	BELDEN SENDING ALL THE RIGHT SIGNALS 
SWITCHES SOCKETS, PLUG AND ACCESSORIES   Italian technological switches, receptacles and electrical protection devices to suit every lifestyle.	CONDUIT ARROW SYNDICATE  EMT, IMC, RSC steel conduit and accessories ARR now38  Easy-to bend inflammable uPVC conduit TGG TAP  HDPE conduit for electrical and general applications.	TRANSFORMER   One of the leading manufacturers of distribution transformer.	
EMERGENCY LIGHT  	MV SWITCHGEAR   A leader in secondary power distribution solution with over 200 years' industry experience.	ELECTRICAL TAPE, TAPE, TERMINATION KIT, FIRE PROTECTION 3M  3M Firebarrier, leader in Fire protection and innovative firestop system. Tape Termination Kit	



Financial Highlights

Current Ratio (times)	2019	2020	2021
Operating Results (Million Bath)			
Sales and Services Revenues	3,792	3,482	3,854
Total Revenues	3,841	3,523	4,010
Total Costs and Expenses	3,720	3,435	3,702
Gross Profit	514	482	543
Net Profit (Loss) (Shareholder's Equity)	85	94	248
Financial Position (Million Bath)			
Total Assets	3,631	3,068	3,661
Total Liabilities	1,988	1,402	1,759
Shareholders' Equity	1,643	1,666	1,902
Inventories	629	372	521
Per Share (Million Bath)			
Net Profit per share (Loss) (Shareholder's Equity)	0.07	0.08	0.21
Dividend per share	0.02	0.03	0.03
Book Value per share	1.40	1.42	1.62
Financial Ratio (%)			
Gross Profit Margin	14%	14%	14%
Net Profit Margin (Shareholder's Equity)	2%	3%	6%
Return on Equity	5%	6%	13%
Current Ratio (times)	1.37	1.53	1.63
Debt to Equity Ratio (times)	1.21	0.84	0.92

Part 1. Business Operations and Performance

1. Group Operations Structure

1.1 Policy and overall business

Communication & System Solution Public Limited Company “CSS” was founded on 25 January 1994, with the initial objective of distributing and installing passive fire protection materials and equipment for highrise buildings and factories. The Company has since expanded the business to become the distributor for electrical wires of various types and other electrical systems equipment from leading international manufacturers such as general cables for use in buildings and factories, internal and external lighting, transformers, conduits, and materials and equipment related to passive fire protection. Customers include government agencies and private companies. In addition, the Company provides installation and maintenance services for communications systems, including the construction and installation of mobile telephone systems, basic telephone systems. In 2015, the company has expanded to provide Information Technology (IT) and the business of renewable energy with the governance policy. The company is focused on the continued growth and sustainability. By expanding into new business areas to continue business operations at all times. Which is considered the heart of the policies and operations of the Company.

1.1.1 Vision / Mission / Business Objectives and Strategy of the Company

Vision

" A leading company in the business of engineering communications. Business information technology and renewable energy products and systems engineering with quality management. "

Mission

- Distributing and delivering engineering products at a reasonable price and with excellent service.
- Installing telecommunication systems with innovation to meet the needs of customers regarding international standards.
- Auction operation tasks for installation communication technology systems and information technology until successful with advanced technology solutions.
- Business operations of Renewable Energy and energy management policy for the Government to provide new alternative energy sources of Thailand.

Business objectives

The Company aims to maintain its position as the market leader in the distribution of electric cable and equipment that is of high quality and standards and to provide a one-stop service, which means offering a wide range of electrical wires and equipment of all types that makes it convenient and easy for customers to order and receive their goods. The aim is to meet customers' requirements quickly and efficiently so that they receive the highest satisfaction.

The Company aims to maintain its status as the country's leading provider of services in the design and installation of passive fire protection and telecommunication systems, focusing on improving operational efficiency and quality services to ensure customer confidence that work will be completed to the quality and schedule they require. By focusing on these areas, the Company has experienced business success.

In addition, the company is certified to ISO 9001:2008 accreditation for the management of telecommunications systems installations from United Registrar of Systems (Thailand) Co. Ltd. (URS). However, the company remains committed to development of operational efficiency in order to meet the needs of our customers to the maximum. In 2017, The company has undertaken to improve the quality system, by expanding the scope to identify the risks and opportunities that affect the quality management system of the organization including the planning and control of changes that may affect the production and delivery of products or services. With a commitment to quality and continuous development The company can raise towards ISO certification 9001:2015 from United Registrar of Systems (Thailand) Co. Ltd. (URS) is completed.

The Company aims to expand business to cover the installation of other communication systems. As well as expanding the business into a growing industry and a government policy such as installation communication technology systems and business of Energy to provide new alternative energy sources of Thailand.

Strategy

- Planning to expand the customer base by greater coverage of sales area and industrial groups, as well as expanding the customer base among state agencies
- Increasing the range of products and services to enable expansion of the customer base and to better support the needs of existing customers.
- Focusing on growth of installation services, particularly telecommunications systems which is an expanding domestic industry, and being able to quickly adapt to changes in technology. Moreover, the Company aims to expand operations in the telecommunications field and the distribution business to support business growth in neighbouring countries where there is high growth potential such as Myanmar.
- Building and maintaining good customer relations by focusing on pre- and post-sales services and maintaining the quality and standards of services offered to customers in order to create satisfaction and confidence in choosing to continue using the Company's services.
- The development of Company personnel at all levels in order to move ahead with changing technology and reduce reliance on key personnel, with staff training budget provided every year.
- Expand business to make revenue and long-term returns, such as business investment in information technology and the Government's renewable energy policy.
- Expand business and invests in neighboring countries and AEC Group to reduce on the effects of competition and the domestic market.

1.1.2 Significant developmentsa

April 2018	Resolutions of the Board of Directors Meeting approved the Company to invested in Namsor Hydro Power Company Limited to acquired the capital increase 33,600 shares at the value of 100,000 Lao Kip or a total of 3,360 million Lao Kip to maintain its 28 % shareholding The Company made a payment totaling Baht 13.5 million for the share subscriptions on 31 May 2018.
September 2018	The meeting of the Board of Directors of the Company passed a resolution approving the acquisition of 36,000 ordinary shares of Namor Hydro Power Company Limited, representing 10% of the issued and paid-up shares from an existing shareholder. company Has paid some shares for a total of approximately 14.6 million baht on 1 October 2018, which makes the company has a shareholding proportion of 38%
November 2018	Resolutions of the Board of Directors Meeting No.3/2018, approved to enter an investment memorandum in the project of Solar Power Plant in Vietnam with total capacity of 99.216 MW of Phu Khanh Solar Power Joint Stock Company which is registered in Vietnam, and operates a Solar Power Plant in Fujian province, Socialist Republic of Vietnam, which invested in ordinary shares of 1,250,000 shares in proportion of 25% of the registered and representing 35% of paid-up capital and the co-investor is Solar Power Management (Thailand) Co., Ltd.
January 2019	Phu Khanh Solar Power Joint Stock Company Limited ("PKS") has called to paid up share capital of VND 137,806 million, from VND 362,194 million to its registered and paid up share capital totaling VND 500,000 million. PKS has issued 1,378,065 new ordinary shares with a par value of VND 100,000 each. Following the increase in share capital, the shareholding of the Company changed from 35% to 25% because the Company did not invest in the additional ordinary shares.
February 2019	The Board of Directors meeting of the company the Company invest to purchased 330,000 shares of Phu Khanh Solar Power Joint Stock Company Limited ("PKS"), the value of VND 100,000 each, or a total of VND 33,000 million . (approximately 45 million baht) to maintain its 25 percent shareholding. The Company paid-up for new ordinary share.

July 2019	Nam So Hydro Power Company Limited has a letter notifying the increase of registered capital from Kip 36,000 to Kip 47,200 million by issuing 112,000 new ordinary shares with a par value of Kip 100,000.
September 2019	The Board of Directors meeting of the company the Company invest to purchased 375,000 shares of Phu Khanh Solar Power Joint Stock Company Limited ("PKS"), the value of VND 100,000 each, or a total of VND 32,955 million . (approximately 45 million baht) to maintain its 25 percent shareholding. The Company paid-up for ordinary share. The meeting of the Board of Directors of the Company resolved to approve the Company to invest in the purchase of newly issued ordinary shares of the Company. Nam So Hydro Power Co., Ltd. As of September 30,2019, the Company has already paid for shares in the amount of 16.6 million baht in advance.
June 2019	The Annual General Meeting of Shareholders passed a resolution to The Annual General Meeting of Shareholders passed a resolution to increase the Company's objectives from the original 56 items to 60 items. To comply with business operations Then, The Company has completed the registration with the Ministry of Commerce on July 8, 2020
April 2021	The Board of Directors' meeting resolved to approve the investment in the Company's newly issued ordinary shares. Nam So Hydro Power Co., Ltd. of 26,600 shares, amounting to USD 332,500 (approximately 10.7 million baht) and paid the full amount of capital increase shares on April 30 and October 25, 2021.Nam So Hydro Power Company Limited registered the capital increase under the law of the Lao People's Democratic Republic on December 29,2021. The investment in such capital increase shares resulted in the change in the Company's shareholding ratio from 38%. is 39%

1.2 Business Characteristics

The Company and the subsidiary (referred to jointly as “the Company”) are involved in 2 types of business: the distribution of electrical wires and other electrical equipment, and the design of telecommunication and passive fire protection systems, as well as the maintenance of telecommunication systems and other forms of coordination. The Company's products and services can be detailed as follows:

1.2.1 Revenue Structure

Types of Products	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Electrical Wire	2,339.01	61.33	2,129.98	60.46	2,539.10	63.33
Electrical system control equipment	494.06	12.95	427.75	12.14	234.59	5.85
Conduits and installation equipment	86.54	2.27	138.62	3.93	109.73	2.74
Cable	88.53	2.32	73.42	2.08	83.18	2.07
Lamps and lighting equipment	20.99	0.55	41.04	1.17	13.74	0.34
Fire protection materials and equipment	29.58	0.78	32.51	0.92	39.46	0.98
Electrical Transformers	6.22	0.16	21.03	0.60	19.20	0.48
Others	21.33	0.56	113.92	3.24	0.20	0.00
Total Sale Revenues	3,086.24	80.92	2,978.27	84.54	3,039.20	75.79
Telecommunication system installation revenue	343.13	9.00	362.24	10.28	339.93	8.48
Passive Fire protection system installation revenue	39.71	1.04	34.38	0.98	23.29	0.58
Other services revenue	322.69	8.46	107.16	3.04	451.73	11.27
Total installation service revenues	705.53	18.50	503.78	14.30	814.95	20.33
Other income	22.25	0.58	40.99	1.16	155.37	3.88
Total Revenues	3,814.02	100.00	3,523.04	100.00	4,009.52	100.00

1.2.2 Characteristics of products and services

(1). Distribution business

The Company operates as a distributor of electrical wires and other types of electrical systems equipment, as well as passive fire protection materials and equipment from leading international manufacturers such as Phelps Dodge, Bticino and 3M. The Company orders products from both Thai and foreign manufacturers based in Thailand as well as importing special products from foreign manufacturers, mainly to sell to customers in the private sector such as general contractors and project developers, and through wholesale and retail outlets throughout the country. The Company has a sales team to contact and coordinate sales through various channels and 3 warehouse facilities which enable the rapid delivery of products to meet customer needs. In the last year, the Company was aware of the importance of safety issues and therefore took out product transportation insurance in order to deliver products quickly, safely and with maximum efficiency. In 2020 and 2021, revenues from the distribution operations made up

85% and 76% of total revenue respectively. Products which the Company distributes can be divided into 7 main types: electrical wires, conduits and installation equipment, electrical systems control equipment, passive fire protection materials and equipment and electrical transformers, with details as follows:

(1.1.1) Electrical wire



At present, the Company is a distributor for various types of electrical wires, most of which are sold under the Phelps Dodge brand, one of the biggest manufacturers in Thailand. Electrical wires made up approximately 60.46% and 63.33% of total revenues in 2020 and 2021 respectively, with the 3 primary types by use being general cable for use in buildings and factories, special cable for use in factories, and cable for telecommunications engineering systems.

(1.1.2) Electrical system control equipment



The Company is the distributor of products under the Bticino brand which include switches, electrical plugs or sockets, television and telephone sockets, breakers and safety equipment. Bticino products are designed with a stylish modern look and safety in mind. They are quality products that meet customers' needs and comply with IEC and NEMA international quality standards, as well as TIS standards and UNI EN 29000-ISO 9000. Sales of electrical system control products made up approximately 12.14% and 5.85% of revenue in 2020 and 2021.

(1.1.3) Conduits and installation equipment



In setting up electrical wiring systems, conduits help to prevent damage to wiring and allow it to be properly routed. At present, the Company distributes electrical coated steel and iron conduits and fittings from the Arrow pipe brand and white ARR pipes and fittings from the CLIPSAL brand which have been certified according to ISO 9001, UL, BS, IEC, TIS 770-2553 and TIS 2133-2545 standards. The Company also distributes polyethylene pipes for the TGG and TAP brands, which are used for their insulation properties and resistance to environmental conditions when buried. In addition, the Company distributes other fittings such as joints, white pvc and pipes from the ARR and CS Wire way brands. Electrical conduits and installation equipment that the company has sold accounted for approximately 3.93% and 2.74% of total revenues in 2020 and 2021.

(1.1.4) Network Solution Product Group



The company is a distributor of Commscope brand products. Which is a product brand from America It is ranked No. 1 in Thailand and No. 1 in Europe and many other countries in Asia Pacific. Products have been accepted in Thailand for over 30 years. In addition to the company to sell products we are also a provider of consulting, design and installation work. Commscope brand products consist of a signal cable and peripheral devices and also includes active component devices for Connect, transfer, send and receive information together. The product also covers many user groups such as Building, Infrastructure, Data Center, Government, Industrial, Bank, Hospital, etc. Network Solution product group that the company sells accounted for 2.08% and 2.07% of total revenue in 2020 and Year 2021.

(1.1.5) Lamps and lighting equipment



Lamps and lighting equipment is a quality product that The company is trusted by many leading companies to be a distributor of products. The distribution is approximately 1.17% and 0.34% of total revenues in 2020 and 2021. The lamps and lighting equipment that the company sells can be divided into 3 main categories, divided according to their usage, namely bulbs and lamps. Electrical equipment for hazardous areas and electrical equipment, emergency lighting system.

(1.1.6) Passive fire protection materials and equipment



The Company was appointed by 3M Thailand Co. Ltd. (3M) as their distributor for passive fire protection materials and equipment which are used to fill spaces in pipes and walls and which, if a fire breaks out, will expand to fill the spaces to prevent the spread of flames and toxic smoke from one area to another. The passive fire protection materials and equipment sold by the Company takes several forms, with the choice of materials depending on customers' specific requirements in terms of appearance and durability. The preventative properties of the materials range from approximately 30 minutes to 4 hours and comply with Under Laboratories (UL) standards. In addition, the Company also distributes other 3M electrical products such as connectors, terminal kits, cable insulation, non-contact infrared thermometers, sprays for electrical work and more than 30 types of electrical tape including tape used for insulation, moisture sealant, heat resistance and corrosion prevention. Passive fire protection materials and equipment and other electrical products the sales ratio is approximately 0.92% and 0.98% of total revenues in 2020 and 2021.

(1.1.7) Power transformer



These transformers provide the transformation from the high voltage lines to the distribution system of the Metropolitan Electricity Authority and Provincial Electricity Authority at the level required by end users such as factories, households and high rise buildings. Transformers accounted for approximately 0.60% and 0.48% of revenues respectively in 2020 and 2021

(1.2) Design and installation business

In 2020 and 2021, installation services made up approximately 14% and 20% of the Company's total revenue respectively. The Company's installation services can be separated into 3 areas: (1) communication system design and installation (2) Fire protection systems and (3) Other installation System. Details are as follows;

(1.2.1) Communication System design and installation

Over the course of several years, the telecommunications industry has seen continuous growth, together with changes in technology and consumer behavior, and the Company first recognizing the opportunities for the installation of telecommunications towers in 1999. Currently, the Company provides design, purchasing and installation services for telecommunication systems, both mobile telephone signal systems and complete basic telephone systems, by a professional team of engineers with over 22

years' experience. When taking on an installation project, the Company will study and design a steel-framed tower, using one of several designs through a computer program that allows changes to be made to the proportions, form, height and weight of the mast, in order to meet the customer's requirements and for the efficient transmission of mobile signals, and also produces a design ready for the communication equipment such as the signal transmission systems of different mobile phone operators, power systems and electric wiring systems. Next, the Company will hire a contractor to prepare the construction area, lay the foundations, construct the steel frame and install the communication equipment, with the Company's engineers overseeing construction, connecting the signal and testing that the quality of the work meets the customer's specifications and is handed over as scheduled. In addition, the Company provides after-sales services with a 1 year warranty period to ensure customer satisfaction and confidence in the quality of the work. The Company's main customers are mobile network operators from the private sector and contractors who have been hired directly by mobile network operators. (See additional details in the telecommunication installation business). In 2020 and 2021, design, purchasing and installation services for telecommunication systems accounted for 10% and 8% of the Company's total revenue respectively.

(1.2.2) Fire Protection System design, purchasing and installation

The Company offers design, purchasing and installation services for fire stops to customers who purchase 3M products supplied by the Company. Installation services can cover open spaces following electrical conduits and water or air conditioning systems that pass through walls or floors in offices and homes, using passive fire protection materials and equipment which provide protection from the effects of heat, flames and smoke for at least 3 hours and have a 1-year warranty period to ensure customer satisfaction and confidence in the quality of the work. The Company has a professional team of engineers with almost 22 years' experience who have been trained by the manufacturer to offer advice on the design of fire and smoke protection systems that comply with safety standards and consult on quality testing standards.

In addition, the company can also provide consulting services, design, equipment procurement, and product development. or providing services related to engineering work according to the nature of products or services that each customer requires (Special Projects). In 2020 and 2021, the company has revenue from the design service business. Procurement and installation of fire protection systems and others accounted for approximately 1% and 1% of total revenue, respectively.

(1.2.3) Other service installation

The company has bid for government work. related to telecommunication systems, communication systems, and various electrical equipment installation systems with government agencies This is a continuation of the products that the company sells and increases the company's revenue generation. In this auction, the Company has auctioned itself or jointly invested with other companies, such as the Sub Station Project of the Provincial Electricity Authority, etc. In 2020 and 2021, the Company has revenue from other installation services accounted for approximately 3% and 11% of total revenue, respectively.

(2) Marketing and Competition

Company operations have successfully built up customer confidence and satisfaction in terms of product quality and the provision of services that are fast and according to schedule. These are delivered with honesty and fairness and the Company has therefore always enjoyed the trust of its customers. The Company has set the following competitive strategies:

(2.1) Marketing strategies

Products & Services

With the aim of responding to the variety of consumer needs, the Company is focusing on the distribution of electrical products through a one-stop service and quality that meets international standards through top level international brands. The Company also adheres to a policy of creating the greatest customer satisfaction by providing fast services. The Company has 2 warehouses in Pakkred, Nonthaburi and Sri Racha, Chonburi, which is the Head office and the big warehouse. This allows the Company to store a wide range of products in appropriate quantities at locations that are close to customers and convenient for

transportation. The Company is therefore able to make fast deliveries to customers in all areas. The Company has also identified safety as an important area and taken out product transportation insurance to build customer confidence in the Company's products and best respond to customers' needs.

For the installation business, the Company has a team of engineers with over 22 years' expertise and experience in the design and installation of telecommunication systems, as new site construction or equipment upgrades, and over 22 years' experience in the design and installation of passive fire protection systems. These teams carry out on-site surveys to prepare a work plan and timetable before work begins and organize a regular progress and quality inspection system that ensures the Company is able to meet the deadline and the customers' specifications.

Price

For pricing in the distribution business, the Company takes several factors into consideration. Apart from the cost of the goods and the Company's desired profit margin, pricing also follows market supply and demand, the quantities ordered by customers and competitiveness against other suppliers in the same industry, with pricing strategies also revised in accordance with prevailing industry conditions.

For pricing in the installation business, the Company carries out a study to assess the initial cost of the project and offers a quotation. The assessment is based on the characteristics of the area of installation, the type of tower, the number of piles and the value of materials and equipment to be used in the project, the number of personnel supervising the project and other related costs, the time frame and other risks that may occur while carrying out the project, as well as the Company's profit margin, which will be set appropriately according to the extent of the work to be carried out.

Place

The Company sells its products on both a cash and trade credit basis almost entirely within the country through a network which includes large and small wholesale outlets and retail stores located throughout the country, with a sales team going out to meet the target group of customers including general contractors, project developers and customers from state agencies and enterprises. The Company's marketing policy considers good long-term customer relations to be of importance in order to retain the existing customer base and to attract new customers and gain a bigger market share. The Company has an experienced sales team that make contact and coordinate sales through various distribution channels that allow deliveries to be made quickly and efficiently, and also present accurate product information. The Company also employs a strategy of paying commissions for introducing new customers to the Company as an additional opportunity and method of finding new business. The Company has set clear rules and methods regarding the payment of such commissions, specifying that persons receiving the commission must be persons from outside the Company who introduce new customers and must not be directors, management, staff, major shareholders of customers or the Company and must not be related to any of these persons. A ceiling is applied to the commission referencing a percentage of the total sale and the minimum margin of return after sales costs and the commission are accounted for. Sales staff must request and receive Company approval before proceeding, with the commission paid by crossed cheque only after payment has been received from the customer. Records of commission payments must be presented quarterly to the audit committee and board of directors. If the audit committee finds that any payments were inappropriate, the Company will carry out a review and present its findings to the board of directors for further action.

For the telecommunication system installation business, the Company has 2 main channels for contacting potential customers to present its services: (1) the Company contacts the operators of mobile telephone networks directly and (2) contacts the main contractors who are hired by the mobile network operators. The Company has an advantage in the telecommunication installation service business because it is a private company that is independent and is not a group company of any one mobile network owner. As a result, the Company is able to provide services to all owners of the mobile phone network. In addition, the Company has used distribution channels for the business of providing services for the installation of the fire system through those who are interested in

purchasing 3M branded products that are related to the fire protection system. mainly directly in order to sell products and provide comprehensive services.

Promotion

It is Company policy to support sales to both wholesale and retail customers by considering discounts for major customers who place high volume orders or customers with a good financial status and payment record, organizing online promotions through the Company website (www.cssthai.com), E-newsletters and Facebook, as well as setting up booths at shows, organizing customer relations activities, meeting target customers directly and producing product catalogues.

For the installation business, the Company places importance on good customer relations. The Company's telecommunications team stay in close contact with customers in order to understand their needs and to quickly be aware of their problems and limitations, and to assist in solving problems, thereby creating maximum customer satisfaction.

(2.2) Characteristics of target customers

1) Customers in the distribution business

The Company distributes various products with almost all revenue coming from sales within the country. The Company's customers can be categorized into the following main groups:

1.1 Private sector customers

Private sector customers consist of customers who are general contractors who sell directly to construction contractors. and distribution through dealers who act as coordination between contractors and customer groups. Project owners such as owners of commercial buildings / offices, shopping centers, hotels, owners of real estate development projects, industrial projects, etc.

1.2 Stores

Shop customers will buy the company's products for further distribution to their customers, such as general construction materials stores. Retailer or wholesaler The distribution channels through these customers contribute to the distribution of the company's products to cover all regions of the country.

1.3 State agencies

State agencies/ state enterprises are customers who require the Company's electrical equipment including the Provincial Electricity Authority, the Metropolitan Electricity Authority, the Mass Rapid Transit Authority of Thailand, Airports of Thailand and CAT Telecom. Sales to state agencies go through 2 channels, auctions or regular orders. The Company's current policy is for the subsidiary to deal with these transactions in future.

The Company has policies on extending credit that cover the amount, payment period and trading conditions with consideration given to the trade relationship, the history of contact with the Company and financial status.

2) Customers in the design, purchasing and system installation business

Customers in the design, purchasing and telecommunication system installation business consist of mobile telephone network operators and primary contractors that are hired by the mobile network operators directly. For the fire protection system installation business, customers are from state agencies, private sector commercial businesses, industry, construction and property development etc.

(2.3) Industry conditions and competition

Since the Company's business is the distribution of electrical system products, especially electric wiring and providing purchasing and installation services for telecommunication towers, various market factors occur in related industries, namely the construction and real estate industry and telecommunications industry, that have a direct impact on the Company's business operations. For this reason, analysis of the impact that the overall state of the industry has on the Company's business largely depends on conditions in the related industries which can be outlined as follows:

Conditions in the construction and real estate industry

Although in the first half of 2021, the value of government construction will expand at a high rate. But the construction sector is another business that has been affected by the new wave of Covid-19 outbreak. The government has ordered the closure of construction worker camps in July 2021, resulting in government construction projects in Bangkok. and the perimeter stopped including terms Construction activities under the Bubble and seal measure since August 2021 onwards This puts pressure on the construction of projects due to sanitation restrictions and social distancing. Affecting reduced construction efficiency.

As for the outlook for 2022, public construction remains a key driver of the construction sector. from the progress of the mega project Including the construction of new projects, the government construction value in 2022 is expected to be around 858 billion baht, as a result of the progress of major mega-projects. which has continued to build from the past such as the high-speed rail project connecting 3 airports Laem Chabang Port Development Project Phase 3 ,Eastern Aviation City Project, Phase 1, Suvarnabhumi Airport Project, Runway 3, etc. (Source: Economic Intelligence Center (EIC), a unit under the Siam Commercial Bank), which is considered an opportunity in the company's dealer business.

Conditions in the Telecommunication

In the business of providing telecommunications installation services. The company is a service provider design procurement and installation of telecommunication system. Which can adjust the type, proportion, form, size, height and weight of telecommunication towers including various telecommunication equipment to be in line with customer requirements. also, the type of service Consisting of the installation of a base station (New Site) to support the expansion of the service area of the signal network And installation of accessories to enhance the features and capabilities of existing telecommunications towers (Upgrade), indoor equipment installation (Inbuilding Coverage) by receiving work from the network owners or mobile phone service providers such as True move, AIS and DTAC etc. or subcontracts from network owners such as Huawei, AWC and ZTE etc. The telecommunication system installation service business has expanded in line with the investment of mobile phone service providers. which will consider investment according to economic conditions and changes in technology and consumer behavior are important. For the telecommunication industry in 2021, the country's telecommunication market is in a contraction due to economic slowdown from the impact of COVID-19. coupled with the delay in 5G network-related operations.

For the trend of communication business in 2022, the company expects to grow steadily. Supported the NBTC's aim to accelerate the expansion of the 5G network to allow people to use the service. Now that both AIS and TrueMove H network operators have started trial service in certain areas. This is considered a business opportunity for the company's telecommunication design and installation services.

(2.4) Competition

The distribution of products related to fire protection systems has a high market value and a wide range of products and services. The Company is currently the distributor of products for several companies, with various types of electrical wires as the core product. Domestic electrical wires production can be considered as a replacement for imported production since in the past all electrical wires used in the country was imported. Imports began to fall when the factory manufacturing electrical wires was opened. At present, there are manufacturers of electrical wires in the country:

- Thai Yazaki Electric Wire Co., Ltd
- Bangkok Cable Co.,Ltd
- Charoong Thai Wire & Cable Public Company Limited
- MCI-Draka Cable Co., Ltd.

The electrical wires manufacturers in the country are able to produce and distribute products that are of a similar quality, with the result that the state of the industry and market for these products is a perfectly competitive market.

Competition in the installation of telecommunication towers depends primarily on the policies of the mobile telephone service providers towards investment and signal network development, which is in turn influenced by government policy. However, even though mobile service providers may assign companies from their own group to carry out installation and renovation of towers, the increasing volume of work and the need for speed and completion of the work on schedule means that mobile service providers have to subcontract outside companies to carry out this work. Opportunities of receiving work from the operators for design, purchasing or installation of telecommunication systems depends on the relationship with the owner of the network, experience and past results, the ability to provide a quality service and meet deadlines, and a strong financial status. In addition, since the Company is an independent operator, it is able to accept installation projects from every mobile service provider. It is normal practice for the employer to set a price for the work, leaving the contractor's profit up to their bargaining power when trying to purchase materials and telecommunications equipment at a favorable price and conditions. Therefore, taking into consideration the factors of experience, results, financial status and relatively weak bargaining position with the employer, it is unlikely that new operators will come into the business. Also at present, there are a large number of state and private sector telecommunications projects that require completion in a short period. Overall, therefore, there is relatively little competition in the business.

Moreover, because less supplier of fire protection system and equipment that make the services of fire protection must use products from major manufacturers of domestic distribution. So the competition in this business is not very serious.

(3) Purchasing products and services

1. Distribution business

The Company's operating policy recognizes the importance of product quality and meeting deadlines. Therefore, quality of products and reliability of suppliers is an important factor in the Company's purchasing decisions. The Company is the chosen distributor of electrical wires and other electrical system products from leading international manufacturers. The Company distributes and orders products from both Thai and foreign manufacturers based in Thailand, as well as importing special products from foreign manufacturers. In 2021, the company had 92.59% of finished goods purchased domestically and 7.41% of finished goods purchased abroad.

At present, the Company is the appointed distributor of electrical wires and other electrical system products, as well as passive fire protection materials and equipment from leading manufacturers, with the details summarized as follows:

Brand	Product type	Partner company	Length of agreement	Important conditions
phelps dodge*	Cable	Phelps Dodge International (Thailand) Co., Ltd.	Not specified	- None
3M***	Electrical supplies and accessories	3M Thailand Co., Ltd.	Not specified	- None
	Passive fire protection materials and equipment	3M Thailand Co., Ltd.	Not specified	- None
Bticino	Electrical system control equipment	Bticino (Thailand) Co., Ltd.	1 year expired on 31 December 2018, able to automatically extend for 1 year period continuously unless 3 months' notice is given.	- The Company is only permitted to distribute products in Thailand. - The Company is not permitted to distribute products in competition with Bticino

Brand	Product type	Partner company	Length of agreement	Important conditions
TTM	Transformers	Thai Trafo Manufacturing Co., Ltd.	expiring 27 May 2021	- None
TGG	Polyethylene pipes	Thai Gow Gai Group Co., Ltd.	Not specified	- None
Arrow	Steel conduits and fittings	J. S. V. Hardware Co., Ltd. (present: Arrow Syndicate Pcl.)	Not specified	- None
BELDEN	Optic Cable	Belden Asia (Thailand) Co.,Ltd	1 year expired on 31 March 2022	- None
COMMScope PE	Optic Cable	CommScope Connectivity (Thailand) Limited.	Not specified	- None
	Wireless network equipment	CommScope Connectivity (Thailand) Limited.	Not specified	- None
Lucy	Ring main switchgear	Lucy Electric (Thailand) Limited.	1 year expired on 31 December 2022	- None

Remark: Summary of the manufacturers of core products

** helps dodge is manufactured and sold by Phelps Dodge International (Thailand) Co., Ltd., Phelps Dodge International Corporation primarily manufactures electric wire and cable that is widely used in the electricity business, telecommunications, industry with plants and offices in Thailand*

**** 3M is an American company that has offices and factories in over 65 countries worldwide and manufactures and sells more than 55,000 products. 3M Thailand Co., Ltd. has more than 5,000 products including materials and equipment for passive fire protection systems and other 3M electrical products*

2. Installation business

Since the design and installation of passive fire protection and communication systems is a business that relies on engineering knowledge and specific expertise, the Company has recruited engineering teams with over 10 years' expertise and experience in the design and installation of telecommunication systems, and almost 22 years' experience in the design and installation of passive fire protection systems. The installation process is as follows:

- Installation of telecommunication towers

The process of installing a telecommunication tower begins when the Company is hired by a mobile service operator or a contractor commissioned by the network owner. The characteristics and specifications of the telecommunications towers of each operator will be different. The Company's engineering team will study the needs of the customer and carry out an on-site survey and network feasibility study. The Company will then design the system and offer advice on the process, as well as purchase materials and equipment that is suitable for the project including foundation piles, concrete, steel frames and communication equipment that will enable efficient connection with the mobile network. Following this, the Company will hire a contractor to prepare the construction area, lay the foundations, construct the steel frame and install the communication equipment, with the Company's engineering team overseeing construction, connecting the signal and conducting tests to ensure that the quality of the work meets the customer's specifications and is handed over as scheduled, with an average time for project construction of approximately 45 - 60 days. The Company also provides an after-sales service with a 1 year warranty period to ensure customer satisfaction and confidence in the quality of the work and over time the Company has built up confidence with customers who repeatedly use the Company's services. Since telecommunication

technology is constantly changing and the deterioration of steel frames due to length of use, the Company has business opportunities from an increase in the installation of telecommunication towers and/or the replacement of existing towers with larger installations.

However, the company has no policy to order steel frames and equipment in advance. due to nature Each project has different characteristics and specifications and/or product features. Therefore, the Company will place an order at the commencement of the project based on the price that the Company has agreed with its business partners before entering each auction.

- Installation of passive fire protection systems

For the installation of passive fire protection systems, the Company will inspect the site where the customer wishes to install the system and assess the types of materials and equipment needed to present for the customer's approval. Once approval is given, the Company hires a contractor to carry out the installation, under the supervision of the Company's engineering team to ensure the quality of the work and that the work is completed as scheduled. The design and installation will include safety and aesthetic considerations in order to ensure the highest level of customer satisfaction. The time taken for the installation of passive fire protection system depends on the area where the system is to be installed and the time period of the building's construction.

3. Raw materials and inventory policy

Company policy is to store inventory for 30-45 days, which makes allowances for fluctuations in price, especially the price of electrical wires which is susceptible to fluctuations in copper prices, storage costs, inventory becoming obsolete, changes in technology, the quantity and frequency of delivery to vendors, the time taken to make deliveries to customers, as well as increased and reduced demand in line with the country's economic conditions. The Company has warehouse facilities at 2 locations, the first is located in Pakkred, Nonthaburi, and the second is at Sri Racha, Chonburi. Being able to hold goods at the Company's own warehouses allows the Company to deliver products immediately and provide ongoing services to customers. It is not Company policy to purchase steel frames and equipment in advance since each project has will have characteristics and specifications that are different. The Company will order products once the project is underway.

(4) Assets used in business

- Details appear in Attachment 4-

(5) Projects have not yet delivered.

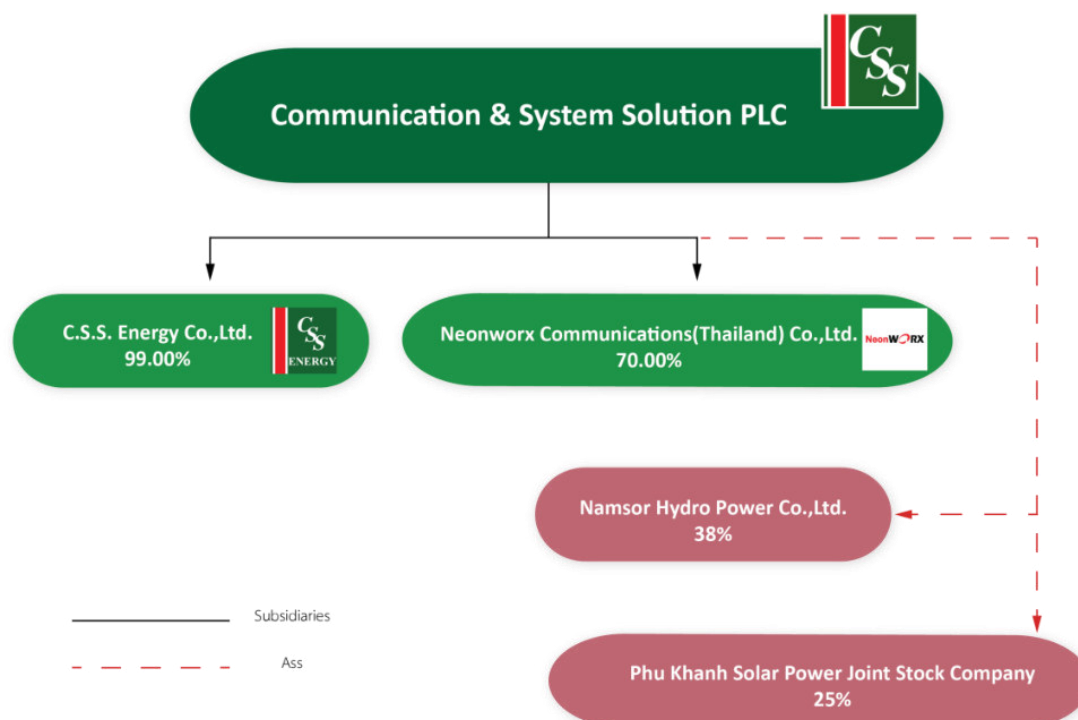
As of December 31, 2021, the company has jobs that have not yet been delivered for telecommunication installations. And other installation work Total value is approximately 571 million baht.

(6) Environmental impacts

The Company's distribution operations have no environmental impact, while installation operations are always carried out in strict accordance with agreements relating to the environment. The Company has never received a warning or been fined over environmental issues.

1.3 Overall business of the Company and subsidiaries

(1.3.1) Shareholding structure



C.S.S. Energy Co.,Ltd.

C.S.S. Energy Co. Ltd. originally named C.S.S. Cable and Accessories Co. Ltd., was established on 6 November 1997, with the original purpose of operating as a distributor of electrical wires and other electrical system equipment from leading international manufacturers. In 2011 C.S.S. Cable transferred these operations under the Company. In 2012, Company policy was for C.S.S. Cable to conduct business with government agencies and to act as representative for various products. These operations would mainly be conducted using Company personnel.

C.S.S. Cable and Accessories Co. Ltd. registered a change of name to C.S.S. Energy Co. Ltd. at the Ministry of Commerce on 24 October 2014, with its head office located at 329 Moo.3, Banmai, Pakkred, Nonthaburi, the same address as that of the Company by having a registered capital and paid-up capital amount of 150 million baht. In addition, C.S.S. Energy Co. Ltd. also has a branch located at 59 Moo.7, Bang Phra, Sri Racha, Chonburi.

Neonworx Communications (Thailand) Co. Ltd.

Neonworx Communications (Thailand) Co. Ltd. (NWC) was established on 13 July 2006 with purpose of operating as an agent installation and maintenance the telecommunication system by turnkey. Customers of the Company are AIS, True, Dtac and TOT etc. by having a registered capital and paid-up capital amount of 10 million baht. The head office located at 10 Soi Nakhivas 47, Nakhivas Road, Ladprao, Bangkok.

Namsor Hydro Power Co.,Ltd.

Namsor Hydro Power Co.,Ltd is a company incorporated and registered under the laws of the Lao People's Democratic Republic was established on 25 August 2014, with the original purpose of operating for conducting hydropower business. The head office located at Ban Nam Ngom, Meuang Vien, Bolikhamsai, Laos.

Phu Khanh Solar Power Joint Stock Company

Phu Khanh Solar Power Joint Stock Company is a company incorporated and registered under the laws of Vietnam with the original purpose of operating for conducting Solar Power Plant in Fujian province, Socialist Republic of Vietnam. There are 2 projects with total capacity of 99.216 MW.

(1.3.2) Shareholder

The list of major shareholders as of 15 March 2022 is as follows:

No	Name - Surname			Shares	%
<u>1. Kangsawiwat Family</u> Total					
1.1	Mr.	Sompong	Kangsawiwat	208,148,836	17.70
1.2	Mrs.	Wandee	Kangsawiwat	578	0.00
1.3	Mr.	Sukij	Kangsawiwat	98	0.00
Total of Kangsawiwat				208,149,512	17.70
2	Mr.	Opas	Tiyawattanaroj	58,339,711	4.96
<u>3. Mekmanee Family</u>					
3.1	Mr.	Kittirat	Mekmanee	30,058,756	2.56
3.2	Mrs.	Waree	Mekmanee	10,000,000	0.85
3.3	Mr.	Nattapat	Mekmanee	10,000,000	0.85
Total of Mekmanee				50,058,756	4.26
4	Thai NVDR Company Limited			26,179,114	2.23
<u>5. Sawatwannarat Family</u>					
5.1	Ms.	Kesorn	Sawatwannarat	21,813,596	1.85
5.2	Mrs.	Panida	Sawatwannarat	3,341,688	0.28
Total of Sawatwannarat				25,155,284	2.13
6	Mr.	Pacharapan	Arunyingmongkol	20,076,880	1.71
7	Mr.	Preecha	Arunyingmongkol	17,062,240	1.45
8	Mr.	Veerasak	Sakaorattanakul	17,000,000	1.45
9	Mr.	Sakol	Sanhachavee	15,968,628	1.36
10	THE BANK OF NEW YORK (NOMINEES) LIMITED			13,513,500	1.15
Top of top 10				451,503,625	38.40
Other Shareholders				724,235,464	61.60
Grand Total				1,175,739,089.00	100.00

1.4 Company registered capital and Paid-up capital

At 31 December 2021, the Company has registered capital of THB 588,036,884.50, divided into 1,176,073,769 ordinary shares, at the par value of THB 0.50 per share. Paid-up capital value of THB 587,869,544.50, divided into 1,175,739,089 ordinary shares, at the par value of THB 0.50 per share. Debenture –None–

1.5 Issuance of others assets

–None–

1.6 Dividend Policy of the Company and Subsidiaries

The Company's dividend policy is to pay dividends at a rate of no less than 40% of its net profit, after deduction of corporate income tax in consolidated financial statement and all reserves as required by law, and retained funds as required by the company. However, the dividend payment shall confirm the company's financial status, business operation, investment plans, including necessities and other future considerations as deemed appropriate by The Board of Directors and/or Shareholders.

The dividend policy of C.S.S. Energy Co.,Ltd. and Neon Worx Communication (Thailand) Co.,Ltd (Subsidiaries) are to pay dividends at a rate of no less than 40% of its net profit, after deduction of corporate income tax in consolidated financial statement of the subsidiary and all reserves as required by law, and retained funds as required by the subsidiary. However, the dividend payment shall confirm the Company's financial status, business operation, investment plans, including necessities and other future considerations as deemed appropriate by The Board of Directors and/or Shareholders of the subsidiary.

However, during year 2019-2021, the dividend payment of the Company is performed as following:

Year	Separate Financial Statements		
	2019	2020	2021
Earnings before per share (THB)	0..03	0.06	0.19
Dividend per share (THB)	0.03	0.06	0.13
Dividend payment rate per net profit (%)	101%	98%	69%

Remark; In 2021 The Company pay the interim dividend of performance in the first 6 months of the year 2021 of Baht 0.03 per share in cash and the Board of Directors Meeting No.1/2022 Approving to propose the Shareholder's Meeting 2022 to approve the dividend payment for last 6 months the year 2021 of Baht 0.10 per share. Total dividend payment of the year 2021 amount Baht 0.13 per share. However, the dividend payment has to approve by the AGM Meeting on 27 April 2022.

2. Risk Factors

2.1 policy and Risk management plan

The Board of Directors is aware of the importance of risks that may affect the business operations resulting in failure to achieve the objectives and targets set. Therefore, the Risk Management Committee has been appointed to be responsible for formulating corporate risk management policies covering risk identification risk assessment Defining a risk management plan as well as monitoring and managing the major risks. To ensure that the risk management can be done effectively. The risk management framework covers important risks which are divided into 3 follows:

1. Risk from Business Operation
2. Financial Risks
3. Other Risks

1. Risk Factors from Business Operation

The Company leading business activity is divided into 2 categories which are: trading business or sale agent and provision of service and design and installation of infrastructure passive fire protection systems etc. Therefore, the risk analysis concerning the 2 aforesaid disciplines as follows:

1.1 Trading business

1.1.1 Risks from fluctuation of the copper price

As the company operates as a distributor of electric wires The main cost for electric cables is copper. The volatility of copper prices will have a direct impact on the purchase and distribution prices of the company's electrical wires. and will have a continuous impact on the operating results and financial status of the Company In the event that the company is unable to adjust the selling price in accordance with the increased cost or manage the inventory to have an appropriate amount

However, the Company recognizes the importance in the management of such risks. The Company's strategy in managing the sales prices of its goods, in line with the cost varies depending on the price of copper. If there is good management. Such volatility will not affect the results of operations and financial position of the company. The company has set guidelines to prevent and reduce the risk of fluctuations in copper prices in the future as follows.

1. The Company monitors copper prices on a regular basis to follow proper inventory management of electrical wires, and to be consistent in line with changes. Normally, the fluctuation of copper prices takes 6-7 months (lapse time) to have effect on the selling price and cost of electrical wires.
2. The Company has always reviewed and followed up the changes in the inventory to planning, Control inventory management. Before having effect on the cost increase or decrease of goods.
3. Increasing efficiency in shipping by focusing on reducing the time of delivery.
4. The policy to deliver goods directly to the customer for the products is used in the project (Matching Order).
5. The Price Management effectively by The characteristics of the company's products are buy to sell. The pricing method plus the added (Cost Plus) if the price cost of goods has a change up or down.

The company can adjust the gains that added in the price to be appropriate. To continue to make the company can sell or release products inventory according to the situation at the moment.

Even though the price of copper in uncontrollable, policy on managing inventory and strategy of setting up the selling price would be the key factors to mitigate effect from fluctuation on the price of copper at some level. The sale period is averaged between 30-45 days which is consistent to the Company's policy what states that the products should be stored for not more than 30-45 days.

1.1.2 Risks from Dependency on Major Suppliers

In 2019 - 2021, the electrical wires representing around 56%, 55% and 55% of total purchase of finished goods were purchased from Phelps Dodge International (Thailand) Company Limited ("Phelps Dodge"), an affiliate of General Cable Corporation and a subsidiary of Phelps Dodge International Corporation. As Phelps Dodge has no policy to make the long term contract with any sales agents, the Company is exposed for risk from dependency on such supplier. In the event that Phelps Dodge decides to sell its product directly to the customers and/or terminate the sale made with the Company; and/or fail to deliver the products as ordered by the Company; and/or increases the price of product without advance notice; and the Company cannot procure products from any alternative source in order to meet customer's time frame, the event could adversely affect sales volume as well as reliability, business operations and following financial status of the Company.

However, it is predicted that such factor will not cause significant impact to the Company as the said supplier has no policy to engage in direct distribution of their products. In addition, the Company has maintained good relationship between the supplier through constant order of electrical wires since 1999 as well as good purchase and payment history. In domestic market, the Company is the biggest distributor of Phelps Dodge products. Another supporting factor is that there are a number of domestic manufacturers of electrical wires and importers of oversea products which can be counted as alternative source. Those domestic suppliers also agree to have the Company as their distributors. All in all, the Company believes that the impact from dependency on major manufacturers will not be significant.

1.1.3 Risks from competition and new players

As the trading business does not require specialized techniques or complex skills, new entrepreneurs can manage to enter easily into this business. For this reason, it is estimated that in the future, the Company might experience the risks from numerous of new competitors. Such risk may affect the operation and financial status of the Company.

However, to run business smoothly, there are also crucial factors required such as a good relationship with suppliers; variety of product ranges and large stock enabling flexibility and ability to support customers' requirements in a timely manner; punctual delivery; marketing strategy to extend the customer base; and working capital allowing reserving large quantities of products. Taking into account the importance of management strategies implemented, the Company has diversified categories of products covering whole segment of electrical systems, including certain installation. The Company's sales scope covers all products related to electrical systems, which enables convenience to customers in purchasing and collecting products. Goods are stored in large 2 warehouses with location convenient for customers' and transportation. This allows the Company to have sufficient storage and distribution within scheduled time frame. Comparing entrepreneurs in the same business field, the Company has advantages over them in term of funds and quantity of products, which build reliability on quality of service to customers.

1.2 Service of design, procurement and installation of communication systems

1.2.1 Risks from inconsistent revenue derived from Projects

The Company's services of designing and installing of communication systems is to render activity in the form of short term projects, without covenanted of long term contract. Therefore, the income derived from such projects is inconsistent and considered as unstable income toward the future. Nonetheless, the Company is independent from the owners of telecommunication or mobile networks operators but has good relationship and working experience with the mobile phone services operators and their major contractors. Being accounted as trustworthy and reliable firm from all mobile phone networks operators, the Company has orders from them regularly and consistently.

In addition, the Company has a policy to expand its business as a distributor of materials and equipment related to electrical systems such as various types of electrical cables, lighting equipment, fire protection materials and equipment, etc. This will help the company have a stable income from selling such products and reduce the impact of risk in income inconsistencies in the field of design services Procurement and installation of telecommunication systems in the future

1.2.2 Risks from delay in project completion

The design, procurement and installation of fire protection systems and telecommunication systems is rendered under projects with duration between 3 months to 1 year. In some projects, the delay in project completion is subjected to indemnification. Late project completion may cause higher cost of production to the Company as well as exposure to the risk of being charged for such delays.

To prevent the risk of delay in project completion, the Company has imposed advanced plan by coordinating with related parties such as suppliers, sub-contractors, engineers from the customers; closely follow-up and monitor the product delivery and installation tasks, allocate proper labor force to handle quantity of work. Constant following up work procedures allows the Company to address the problems and execute quick solutions, deliver project and/or products within specified time frame. So far, the Company has no records of delays in project delivery or being subject to claims for damages of such delays.

1.2.3 Risks from dependency on engineers

To undertake, proceed and complete the project within scheduled time frame, the Company requires personnel with experience and competent skills, especially an engineer's whose duties covers design, work control and management until the completion. Engineer duties and work performance have direct impact to the cost of production, duration and customers' requirement. Therefore, losing the team of these engineers may affect the availability to undertake work as well as capability of managing projects.

The Company is aware of the importance of personnel, which is a key factor in business. The company has a policy on risk prevention as follows:

1. Setting proper salary rates and compensation rate.
2. Provision of welfare and incentive to maintain employees' dedication to the organization in a long term.
3. Provides training courses and seminars to its employees on regular basis and develop technical knowledge and skills to be professional.
4. Decentralize the management authority to reduce dependency on individual personnel.

That's why the Company has major engineers with competent expertise and experience who have been working with the Company for more than 22 years, in design and installation of telecommunication systems. During the past 22 years, there is only one engineer resigned from the Company, from total of 35 engineers on board.

2. Financial Risks

2.1 Risks from debt collection

The Company is exposed to credit risk from collection of trade accounts receivable. If considering the trade accounts receivable, it will be found that Most of the accounts receivable are from the dealer business. This is the normal nature of the business of buying and selling products or being a dealer. for giving credit to customers If the value of sales or sales revenue grows, it will result in the value of trade accounts receivable to grow accordingly. Therefore, the quality control of trade accounts receivable on a regular basis. debt payment tracking and expediting debt collection Therefore, it is an important factor in the operation of the company. The company therefore has a strict policy for selling products and considering giving credit to each customer. The company considers credit rating based on historical analysis of customers' financial statements and analysis of customers' financial, stability, and business growth. and has a policy to regularly review credit limits. In addition, the company has a policy to regularly monitor the quality of trade accounts receivable. The company also has measures to prevent such risks by purchasing an insurance policy for default payment of

trade accounts receivable The company will receive insurance protection for debt repayment of the company with a guaranteed capital of 2,500 million baht in the event that the company's debtor is unable to pay trade debt to the company. The insurance company agrees to be responsible for compensation for such damages to the company as incurred according to the amount that the insurance company assigns to each company's customers in the total amount not exceeding 200 million baht. However, the aforementioned debt guarantee value is sufficient to mitigate the risks in this respect. because of the past The company has a low level of bad debt and/or debt that needs to be set aside for doubtful accounts. Which has a total amount of only about 133 million baht The company is of the opinion that The policy purchasing policy is beneficial and reduces the risk of being unable to bill customers to the company. The Company will consider purchasing such policies as appropriate in the future.

2.2 Risks from changes of interest rate

Most of the interest bearing debt of the Company consisted of overdraft loan and loan from the financial institutions. The above interest bearing debt had been referred to the floating interest rate – Thai Overnight Repurchase Rate (THOR). Therefore, such interest rate tends to increase; the Company would have more interest expense according to the higher interest rate.

The Company managed such risk by maintaining proportion of the floating interest bearing debt at the level consistent with nature of operating business. As the Company received several loan facilities from several financial institutions, the Company could choose to use the loan facilities with the term of payment suitable to the situation at particular time. Moreover, after listing the security of the Company in the Stock Exchange of Thailand, the Company has set its objective to use some funding from IPO as working capital, which would mitigate burden from interest expense of the Company in the future.

2.3 Risks from working capital

In the normal business operation regarding distribution of electrical wires and equipment and services of installation of telecommunication system, the Company requires working capital for purchasing products and maintaining inventory for sales. This should represent variety and adequate quantity to meet the customers' demand. In regard to service of installation of telecommunication systems, the Company also requires working capital for purchasing, hiring and preparing tasks prior to receiving the payment from the customers according to the agreement. To manage cash flow, the Company utilized the short term loan from the financial institutions which are bank overdraft, promissory note, and factoring service as a working capital. As a result, the liquidity ratio and the rapid ratio in 2019 – 2021 are as follows: 2019 approximately 1.37 and 0.08, and in 2020 approximately 1.53 and 1.15 and in 2021 approximately 1.63 and 1.18 respectively.

2.4 Risk from exchange rate fluctuations

Therefore, the Company has set up risk management measures to reduce the impact on the cost of products and the Company's operating results. By entering into a forward contract , which is an agreement to buy or sell foreign currency with a bank on the date specified in the contract it the agreed rate and change. As a measure to hedge against foreign exchange risk, the Executive Committee will consider and decide on appropriate financial instruments according to the situation. in order to be able to manage revenue and costs with the most efficiency

3. Other Risks

-None-

3. Driving business for Sustainability

Sustainability Management Policies and Goals

Communications & Systems Solutions PCL. Since 2013, we have recognized the importance of driving the sustainability business 2013 under the policy of "Striving to become a good corporate governance organization with excellent results in business operations along with enhancing sustainable growth". The main goal is to cover all key dimensions including economic, social, and environmental based on the strength of good corporate governance and comparable to international standards. In addition, the organization has established strategies and guidelines for developing the potential to be consistent with the sustainability management policy. To truly pursue the success of the organization.

Key policies aimed at sustainable growth



Business strategy

Communications & Systems Solution PCL. Operate under the main strategy "Building potential to compete and create value for stakeholders" focus on balanced and sustainable growth by defining key capabilities as:

- Expand overseas business growth and create investment opportunities.
- Provide a variety of products to meet customer needs.
- Customer expansion in the industrial sector in both the public and private sectors.
- Maintaining sales quality and customer service for maximum satisfaction.
- Human resources development.

The beginning of Sustainable development

- In 2013, disclosure of information on 8 keys issues under the principles of corporate social responsibility.
- In 2014, the policy of 8 important keys under the principle of social responsibility
- In 2015, the company developed an operational strategy to be a mechanism for international standards.
- In 2016, implementing the strategic plan Review the results for concrete, measurable results.
- In 2017, Connection management entered the indicator framework of the global recovery initiative in GRI and SDGs.
- In 2018, upgraded the GRI standard of management standard, accounting standards and business strategy of SDGs
- In 2019, the 4G strategic axis is the basic principle of establishing good practices. Linking to the ESG Sustainability Dimension.
- In 2020, set out sub-strategies for each dimension of sustainability, ESG makes concrete connections to stakeholders
- The plan was developed to implement the sub-strategy, leading to concrete practicality.



Sustainable development based on 4G potential

Good Governance aims to be a good role model, adhere to laws and regulations under corporate governance with good governance principles in business operations.

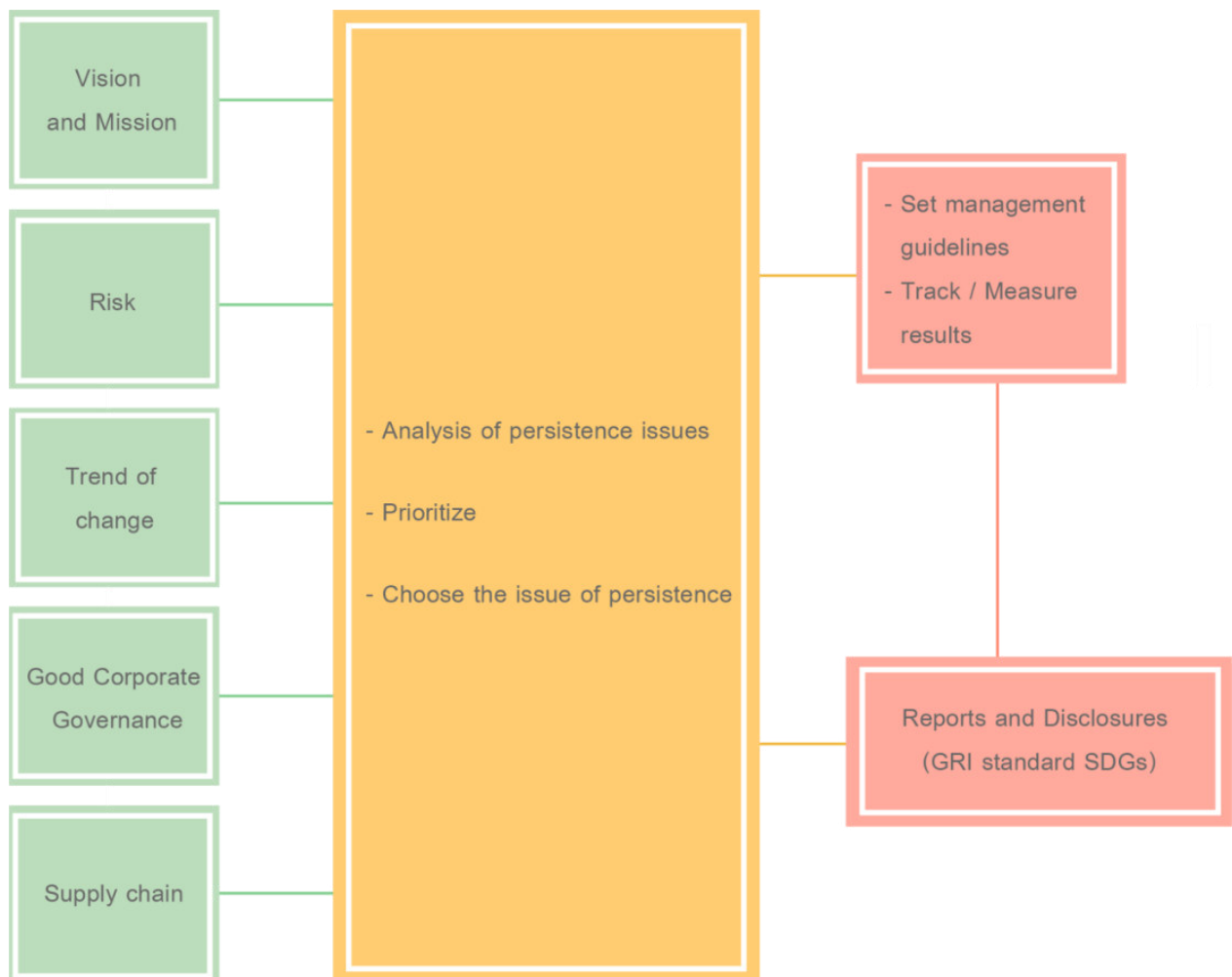
Great Value Creating value for value by seeking opportunities to grow and develop processes to continuous efficiency.

Grow Together sustainable growth by maintaining and enhancing competitiveness, accelerating professional development in time.

Green Environment aims to create a good society for Thai society. Create a safe working environment for all employees and stakeholders. Reduce unnecessary use of resources and promote the use of resources in a knowing and beneficial way.

Key sustainable development issues

The Company has compiled sustainability issues related to the nature of its business operations using GRI Standard's international guidelines for examining the global sustainability context and trends from the United Nations (SDGs), as well as case studies in the same industry. To produce the most useful information. In addition, the working group screens, reviews and scrutinizes data by the advisory team, prioritizing them on the basis of determining the impact of the company's stakeholders along with the economic impact. Society & Environment.



Scope of issue

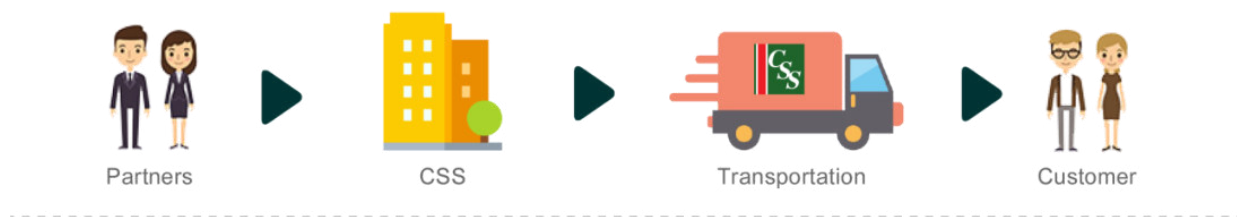
Sustainability Dimension	Issues	Link into the GRI Standard framework.
Economic Adherence to good governance and fair business practices.	- The core business as well as good governance. - Organizational Management Effectiveness.	1. Foundation (GRI 101) 2. General discloser (GRI 102) - Governance - Ethics and Integrity 3. Anti Corruption (GRI 205) 4. Governance (GRI 102-30) 5. Management Approach (GRI 103) 6. Economic Performance (GRI 201)
Social Respect for human rights and quality of life to a sustainable society.	- HR Sustainable - Management of occupational health and safety. - Creating social value. - Caring for and meeting customer needs.	1. Employment (GRI 401) 2. Labor / Management Relation (GRI 402) 3. Occupational Health and Safety (GRI 403) 4. Training and Education (GRI 404) 5. Diversity and Equality Opportunity (GRI 405) 6. Human Rights Assessment (GRI 412)
Environment Management of environmental sustainability.	- Environmental Management of Company. - Operations that are environmentally friendly.	1. Energy (GRI 302) 2. Emission (GRI 305)

Business Value Chain

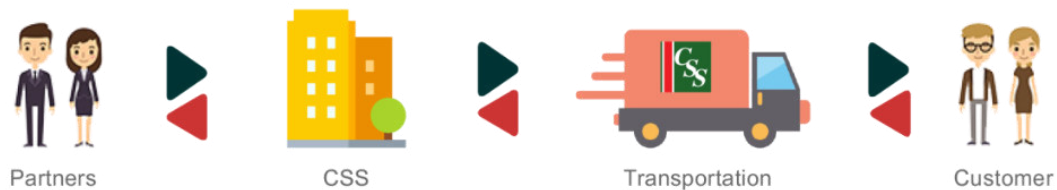
The company recognizes the importance of sustainable development in the service industry's core business. Therefore, taking care of all important stakeholder relationships that arise from upstream to downstream. Committed to creating value products and services to meet the needs of these stakeholders.

The Company has upgraded supply chain relationship from existing to sustainable supply chain management through a risk analysis process based on principles that properly take into account the expectations and meeting expectations of stakeholders across all groups. This is to reduce the risks that will affect the company's supply chain to conduct business together in the end and grow together sustainably.

From the traditional one-way communication.



Focus on new models attention to feedback for the benefit of organization's development.



The Company focuses on key elements in managing the business value chain as follow:

1. To manage the main activities in accordance with the company's business characteristics, there is no manufacturing plant, so the company focuses on the process of operations that connect to the service to cover all stakeholder groups.
 - Effective communication is to present correct and sufficient information to complete decision-making. In addition, taking into account the feedback from the stakeholders for the benefit of the of organization's development.
 - Distribution of goods and services is the application of technology to suit the company's warehouse management system and logistics system. This leads to real satisfaction with Stakeholders.
2. Support activities that affect the strengthening of the internal management system include the development of technology, human resources management, to support all the company's goals, achieve the objectives as specified, with internal audit system and quality control system in accordance with international standards as an annual monitoring and review tool.

Stakeholders	Stakeholders Expectations	Response expectation Of stakeholders
Internal stakeholders		
Employee 	- Fair compensation and welfare. - Route planning and progression. - Occupational Health and Safety Care.	- Employee opinion surveys. - Listen to complaints and suggestions. Engagement channels surveys / questionnaires / internal relationship activities plan Creating a sustainable shared value - Establish a fair compensation management system. - Establish a professional human resource management system. - Maintain an operating environment according to international standards. - Employee satisfaction survey annually.
Shareholders 	- Good return on investment and stable growth. - Operate in accordance with good governance principles.	- Operate in accordance with good governance principles and receive good assessment results. - Accurate, transparent and verifiable disclosure. Engagement channels General Meeting and Extraordinary General Meeting of Shareholders / Company Website / Survey / Disclosure of Information via SET Portal of the Stock Exchange of Thailand. Creating sustainable shared values - Good and stable compensation management. - Elevate confidence with reliable institutional assessment results.
External stakeholders		
Customer 	- Quality products and services. - Convenient and easy access to decision-making information. - Maintain the privacy of customer data.	Customer satisfaction survey / development of two-way communication channel Engagement channels Customer Service System / Customer Visit Plan / All Modern Communication Channels / Customer Satisfaction Survey Creating sustainable shared values - Quality delivery system and fair. - Quick response system. - Striving to continuously improve service quality.

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Economic Dimension

Aims to be an organization with high performance

In the midst of a volatile global economy, including the COVID-19 pandemic, a risk factor causes all companies to adjust their minds to achieve their objectives. CSS continues to focus on reviewing and formulating important business policies and establishing them in writing as guidelines for creating clear, concrete, timely goals in time for the situation. This will affect the economic growth of the enterprise with real fairness. Good Corporate Governance.

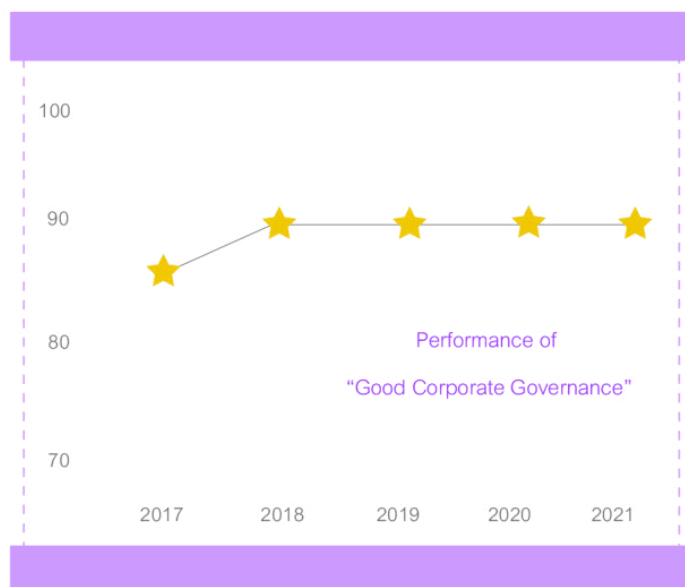
Good Corporate Governance

The Company is confident that in addition to adhering to the law. The regulations are in accordance with the standards. Supervision is at the heart of the company's operations. The Board of Directors has a mission to review and inspect the operating regulations annually. To build trust and benefit all stakeholders of the company sustainably in the long term.

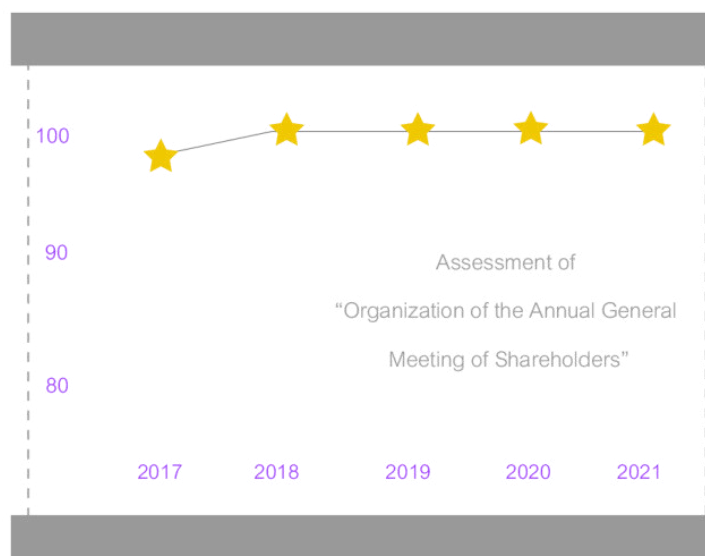


The Corporate Governance Survey project by the Thai Institute of Directors was created to support the company's true intentions and reflect the results of confidence in good corporate governance to all stakeholders which is considered to be challenging and the goal of CSS that constantly strives to improve. Therefore, it has been set to follow up on operations. Review the policy and control it to closely comply with the guidelines for the important categories, namely the rights of shareholders. Equitable treatment of shareholders. Taking into account the role of stakeholders Disclosure of transparency and accountability of the Board of Directors This includes new issues in the Code of Conduct framework.

In 2021, the covid-19 pandemic remains an inevitable risk issue. As well as operational limitations remain a barrier to management. This includes government information alerts, as well as cooperation in implementing the measures announced by the government. As a result, the Board of Directors has to closely monitor the reporting of operations and supervision until the result is satisfactory. In year 2021, the Company maintains a 5-star level of evaluation of the effectiveness of good corporate governance with a score of 90 points or means excellent. The average score of the listed company as a whole is 84 points.



In addition, the Company received the results of the 2021 Annual General Meeting of Shareholders from the Thai Investors Association at the level of 5 stars with an average score of 100 points, meaning excellent level, which is another award that reflects the confidence of all stakeholders involved. This meeting is considered an effective participation platform for reporting earnings. Obtaining independent feedback that is beneficial to the development of future operations and decision making on various important matters for mutual benefit.



Business ethics

The Company is committed to conducting corporate governance under the good corporate governance framework based on transparency, equality and accountability to all stakeholders. By creating long-term business values, adhere to the code of conduct or code of conduct prescribed by the organization as follows:

1. Conduct business by adhering to the ideology of conducting business with quality business and having mechanisms to control ethical practices and reports.
2. With regard to business transparency. Adhere to the responsibility to all stakeholders equally and equitably.

3. Conduct business without unwanted employees receiving money or valuable items from all business related parties with the group. This may cause unfairness to those involved.

4. Conduct business under non-political involvement. By posing as politically neutral. Do not commit acts that are committed to any political party or any political power.

5. Conduct business under fair and public interest. By not giving money or things to any person in order to induce or refrain from doing any wrong thing.

6. Conduct business under social and environmental responsibility in what is the impact of the Company by accepting the audit. In addition, be ready to be responsible for the results of the audit according to the facts.

7. Conduct business with respect to human rights internationally that can be applied in every country, every culture, and every situation. By adhering to the principle of respect for international practices.

In addition to the Code of Conduct, The Company also recognizes those involved in conducting business towards sustainability, thus establishing the code of conduct regarding the Code of Conduct of the Board of Directors and the code of conduct for stakeholders as well. This is for the benefit of using it as a truly effective practice. The company has introduced the aforementioned code of conduct to all stakeholders in every communication channel. With the expectation of all stakeholders to acknowledge and abide by with mutual understanding and to be disclosed on the Company's website as well.

The company has continuously promoted anti-corruption activities. It recognizes that integrity is the cornerstone of corporate development and aims to create a strong corporate culture of good governance that will lead to sustainability. In 2021, although the COVID-19 pandemic continues to spread, the Company continues to adhere to anti-corruption practices with written records inserted in the Corporate and Employee Ethics Manual. The company also compiled the chief executive's anti-corruption statements and made 5 key principles. The following are awareness of the common good outweighs self-interest, Creating a Corporate Culture of Transparency, Integrity in work, being ashamed of corruption and awareness of self-sufficiency. This is to be used as part of the company's annual internal audit planning strategy as well as to be used as a goal to plan activities within the company. It is an important mechanism for communication to prevent fraud in the operating process.

Sustainability Awards

Due to the company's commitment to sustainable business operations and good development in reporting and disclosure from the beginning of membership and registered in 2013, the Company has given the opportunity to receive the "Acceptance of Sustainability Disclosure" award from Thaipat Institute at the "Sustainability Disclosure Award 2020" by the Securities and Exchange Commission (SEC). This sustainability award reflects the company's operational intentions for sustainable development in 3D, namely the economy. Society and environment.



Risk Management

The company is aware of the challenges of risk management in a volatile economic environment. In 2021, the Working Group under the supervision of the Risk Management Committee conducted a more effective review of its policies and business operations both inside and outside the organization. The Company is able to manage effectively in all three areas: corporate business risks, financial risks and other risks. The detailed information has already been disclosed in the annual report.

In addition, to ensure that the company's risk management is efficient. The company has linked the risk information to the internal audit plan as well. The goals are set appropriately every quarter. And throughout the work in the year 2021 has shown satisfactory results that the work processes of employees are in accordance with the regulations. The Company's Articles of Association are as follows:

Q1: Inspection of Purchase systems has improved the efficiency of the work process to be more environmentally friendly. Improve the criteria for selecting vendors or service providers by try to applying factors regarding vendors who have been certified to environmental standards or encouraging environmentally friendly procurement and supporting the use of products that do not pollute the environment as one of the selection criteria.

Q2: Inspection of Human Resources and Safety System, It found that the internal control system was properly set up and strictly followed, including the inspection of safety systems in the workplace as required by law.

Q3: Inspection of Business and Product Sales systems focuses on customer analysis by adjusting more quality measurement criteria to ensure revenue management in accordance with the company's goals, as well as reviewing the freight process to suit costs incurred in the most efficient and effective way.

Q4: Inspection of Inventory Management System Quality receipt and dispensing, as well as effectively controlling the management of long-lived products. In addition, it has reviewed the assessment of the adequacy of the internal control system in accordance with Securities Commission guidelines of The Stock Exchange of Thailand by using the assessment tools under the concept of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), which consist of: control environment risk assessment operational control Information and Communication Systems including a monitoring system to achieve effectiveness according to the set goals.

The audit results show that the company's internal control system is in full compliance with the guidelines of The Stock Exchange of Thailand. The Company also plans to review information in other control systems that are relevant and linked to the COVID-19 pandemic. To prepare for the development of risk management system in the future as well.

Assessment of organizational management effectiveness

The Company strives to be a role model for organizations that are effective in managing excellence. Therefore, the Board of Directors and sub-committees have assessed in accordance with the framework of the Securities and Exchange Commission (SEC) as a tool to measure the effectiveness of management in order to achieve the company's profit goals in 2021, the results can be summarized as follows:



Chief Executive Office Evaluation

The Chief Executive Office Evaluation includes executives at all levels of the organization. The Company has established guidelines for evaluating performance with a consistent pattern of performance indicators. The evaluation is categorized into 2 key areas:

- **The first part** is to measure the performance based on international principles: balance scorecard consists of 4 key areas: finance, business performance of the company, customer internal processes, and learning and development.
- **Second part** is to measure the performance of a leader's potential indicator based on the topic of assessing the guidelines of the Stock Exchange of Thailand and applying them in accordance with the organization's guidelines. The company secretary is responsible for the operation. The Stock Exchange of Thailand and apply it in accordance with the organization's guidelines. The company secretary is responsible for the operation.

In addition to establishing guidelines for evaluating performance, the Company has focused on establishing guidelines for determining remuneration to be fair and effective. By referencing data from the Company's business performance and comparing data related to the same industry group. Including planning for a short-term benefit, salary adjustments, annual bonuses, as well as other benefits and long-term benefits include provident contributions, etc.

The summary of the performance Chief Executive Office Measurement Assessment, The nomination and corporate governance committee are responsible for the approval and presentation to the Board of Directors for further approval.

Social Dimension

Sustainable social value

The Company aims to promote the quality of life that occurs in Thai society as a society that treats each other with fairness. It offers the opportunity to listen to opinions as well as be healthy and ready to perform their duties effectively. Therefore, organizational management must take into account compliance with international standard human rights principles, starting with the highest stakeholders, executives and employees within the organization, and expanding into practices that cover external stakeholders in the context of the company in order to create mutually beneficial contributions. Leads to stable and sustainable growth.

Human Rights Operations

The Company realizes that current business operations may affect or contribute to human rights violations and may affect the Company's image. As a result, the Company has focused on establishing appropriate prevention and management methods. Consider issues related to the organizational context as well as important issues related to international regulations, which in preliminary operations have divided the relevant parties with appropriate guidelines as follows:

Group of key stakeholders According to the organizational context	Key Points	Guidelines / measures currently implemented
Employee 	Employment	- Employee Manual and Code of Conduct - Establish a Welfare Committee - Complaint Channel
	Health and safety	- Occupational Health and Safety Policy - Occupational Health and Safety Committee - Employee Safety Training
Shareholder 	Shareholder Rights	- Comply with Good Corporate Governance Guidelines (CGR) - Comply with the criteria for quality assessment of the AGM Checklist
Customer 	Sales / Fair Service	- Clear governance structure - Establish fair policies and regulations. - Establish a Code of Conduct for Customers - Complaint Channel
Partner 	Maintain confidentiality / conflicts of interest	- Adhere to contracts and terms - Establish a Code of Conduct for Partners - Complaint Channel

Throughout 2021 Human rights operations with stakeholders inside and outside the Company are considered to have good management capabilities: the Company has had no incidents of complaints or lawsuits for human rights violations in the past year.

Human Resource Management

In the past 2021, the coronavirus 2019 epidemic remains a major risk that society must increase caution for a period of time. This makes the company's human resource management even more challenging as well, and in order to effectively manage the company. Therefore, the operation is divided according to the three strategic frameworks as follows:

1. HRM Human Resource Management

Focus on compensation management and fair employment it does not discriminate and provide equal opportunities, as well as providing appropriate welfare and a lifestyle that changes with the times.

- **Employee and Labor**, throughout the operation in 2021, CSS Company is aware of the policy review annually. This year, personnel management practices have been adjusted and preventive measures have been increased to accommodate situational risks. The company currently has 100% of Thai employee nationality, no racist and cultural problems. Therefore, it is easy to manage and act on the basis of human rights as a priority. This includes employment based on the appropriate type of employment for men and women and people with disabilities, as well as fair pay according to the principles of analyzing the value of the work and based on comparable data in the same industry group. Training and potential development for employees to take care of occupational safety and environment. This leads to the development of good bonds with the organization.
- **Employment**, As a result of the pandemic crisis, the Company continues to focus on the management under the employment policy that is fair and appropriate for the situation. Although the COVID-19 pandemic inevitably affects the organization's management of human resources costs. The company's employment has opened up and offers opportunities to a wide range of gender-related individuals. Education, religion, ethnicity, without limitation, have always been a part of the organization's success, and the Company has focused on developing a universal performance evaluation tool to ensure fairness to employees at all levels appropriately. And strictly follow the labor law procedures. In parallel with the consideration of policies to adapt the survival of the whole organization in accordance with the framework of the plan to consider returns in both the short and long term, which are

Short-term return considerations

- Determination of the salary structure of employees according to qualifications, knowledge, Comparable work capabilities and experience to companies in the same industry
- Adjustment of wages and bonuses once a year in accordance with the Company's operating results by considering the profitability in each year and has criteria to measure the performance of all employees according to international principles (KPI) to be appropriate.
- Proper care and welfare arrangements for employees in accordance with Thai labor standards, including incidence insurance, life insurance, health insurance, as well as health and safety care by administering one annual health check-up, as well as providing additional necessary additional benefits such as funeral funds, granting special leave rights for gender-free meditation, seminars, shuttle buses, uniforms, etc.

Long-term return considerations

- Define the criteria for regular adjustment of the employee class once a year by using the Balanced Scorecard with views on 4 key factors finance, customer perspective, internal process perspective, and learning and growth perspective. They are used in determining the performance and competence of employees to determine appropriate compensation and incentive.
- The Company provides provident funds for employees to support and incentivize employees to have good savings discipline. The Company allows employees to set a cumulative rate from 3% to 15% of funds. The Company will contribute money to the Fund based on the company's age according to the regulations but not exceeding 5% of the employee's salary base and voluntary age, which will be reimbursed to the employee at retirement or when leaving the job.

Although the Company reviews new policies annually and increases safeguards in the midst of the COVID-19 pandemic, the Company maintains its reliability and morale for all employees by taking into account on-time pay. Regularly and maintain the same basic benefits. In 2021, the Company paid compensation in both salary and other compensation forms, including provident fund contributions, to employees totaling Baht 183.12 million.

➤ **Employment of persons with disabilities** Employment of people with disabilities the company considers equal opportunity. without discrimination, covering people with disabilities and disadvantaged groups At present, the company operates in accordance with Act on Promotion and Development of the Quality of Life of Persons with Disabilities and having to supervise the employment of such disabled employees, a total of 3 people, but due to the limitations of the nature of work, the company has employed 1 person with disabilities and contributed to the Fund for promotion and development of the quality of life of the disabled. 2 people on time as scheduled every year.

➤ **Labor Relations Management** Employees are an important factor in the growth of the organization that leads to sustainability. The Company recognizes the promotion and morale of all employees to have a sense of stability and safety in their work, as well as being able to live happily together that will lead to improving the quality of life for their families.

In 2021, the Company can carry out the plan in accordance with the goals and is in line with its core values and smooth corporate strategy.

1. **Improve & Increase communication efficiency.** The company attaches importance to communication in all channels. Prepare information to cover all stakeholder groups and pay attention to feedback that is useful for evaluation and analysis for organizational improvement and development.

- 1) Increase communication channels to suit the era and keep up with the current situation. This increases the proportion of online communication channels.
- 2) Applying technology can help reduce the response time of the information. As a result, the data collection process is fast for analysis and processing. Bring benefits to managing employee relationships more targeted and faster.
- 3) Planning of internal formal and informal activities linked to the company strategy, which is used as a mechanism for continual communication leading to real tangible results as well as being able to emphasize important information on a regular basis leading to goals more quickly.
- 4) Develop the performance of internet systems, improve websites to support and meet customer needs quickly. In addition, employees can access information for self-improvement, as well as the company's stakeholders will be able to access the information they need correctly and completely.

2. **The Company attaches importance to the appointment of welfare working group under the law.** Aim to create an independent area. Employees who can express opinions or provide useful feedback to the Company through the Welfare Working Group as an intermediary for collecting information and presenting to the Management Team to acknowledge their doubts or concerns. This leads to resolving doubts and further improving. The development of various administrative tools, as well as the appointment of welfare working groups, is therefore a factor of success of effective labor relations management. As a result, the employee-to-company engagement survey score in 2021 increased to 84.57X% and the resignation rate was reduced to just 2%.

In addition, the company also emphasizes the appointment of welfare institutions under the law to achieve its independent area. Employees can express their opinions or provide useful suggestions for collection through the work welfare committee. The information will provided to manager for better resolution and development. Therefore, the appointment of management tools and welfare institutions is the success factor of labor relations management. Effectiveness of the survey results in 2563. The level rises to 82% and the decline rate is only 1%.

2. Human Resource Development HRD:

The focus is to promote learning ability, improve work skills and influence the future development of employees, including establish good relationships and support talents of stakeholders responsible for social sustainable development.

Developing potential for advancement. Progressive development is an important factor in maintaining employees' potential and growing with the company. In each year's strategic development, considering the participation of all aspects of management put forward their own opinions. For the best interests of employees and the organization, work team development, human resource management. The purpose of this study is to investigate the training needs, analyze and develop personnel development plans for approval by the board annually.

In 2021, it will still be a year that we have to face limitations in operations caused by the risk situation of the Covid-19 epidemic and strictly complying with laws/regulations from the government. As a result, the personnel development department has to adjust its methods to achieve results that are in line with the goals and vision of the company, which is to develop all personnel to be professional in their work and to provide excellent service. The company has promoted knowledge development for employees to be more convenient according to the situation by increasing the adoption of technology such as more diverse learning styles online learning online meeting as well as to focus on creating more practice, etc. Summary of human resource development performance measurements Displayed from success indicators as follows;

- Measurement of success according to the annual training plan is 107.00%
- Measurement of employee satisfaction in training was 82.99%..
- Average number of training hours/person/year is 4.09%

Internal Training Accordance with the company's core policy continues to focus on supporting the training of knowledge and skills in accordance with the core competencies of the organization. It expects to help build competitiveness and support the company's future growth. For courses that the Company must focus on and practice continuously even if it faces restrictions, it is basic knowledge training for new employees, since it is important information to start work, consisting of ethics and corporate ethics. The implementation of the Company's regulations and preventive practices of anti-corruption in various forms, hygiene and safety principles, as well as appropriate behavior in accordance with the culture of the organization, etc.

In addition to that, it has focused on training with partners on rigorous product details, which will link to the benefits of being sincerely responsible to consumers. Although in 2021 the Company was unable to meet with its partners as usual, the Company has changed its training or meeting style to use as a substitute online communication, such as using more zoom system software.

External training The Company's core policies encourages external training in specialized courses as needed by various departments, as well as focusing on promoting knowledge under laws and regulations that support the goal of becoming a listed company on the Stock Exchange of Thailand that adheres to excellent governance management. During the covid-19 pandemic, despite the limitations of sending employees to external training, the Company has adjusted its knowledge development and news awareness patterns to keep up with the situation. The human resources department is responsible for processing from the survey of the training needs of all departments to manage the effectiveness of the goals. For other knowledge from outside the organization the public relations department is responsible for providing information useful for the development of the organization in various areas, screening knowledge, news and sending it to executives and stakeholders for regular use in the application and development of work, such as the preparation of in-house news documents (CSS Executive News). The objective is to gather important news from trusted sources to study, such as news from the Stock Exchange of Thailand (SET). Securities and Exchange Commission (SEC) etc.

3. Quality and safety management (SQM)

The company has an important goal aimed at creating a good quality of life. Safety for employees by promoting safety in operating systems under international standards amid the COVID-19 pandemic crisis. In 2021, the company continues to work hard,

either in the field of issuing emergency policies or imposing new measures to protect employees and related individuals from the risk of infection with the epidemic.

Security knowledge, The Company has a policy of educating about quality management and safety, defined as an annual personnel development plan, as well as the use of details that are useful for learning such as: Security policies, regulations and security manuals and security manuals in workspaces are compiled on the Company's website to facilitate further implementation.

In addition, quality and safety management to prevent work accidents by dividing into 4 sides as follows:

➤ **System:**

- The company has increased the intensity of the quality system operation (ISO 9001:2015) to ensure that the quality system and the safety of the organization are truly effective.
- The company supports and promotes the establishment of a safety committee. Occupational Health and Work Environment Complete at all levels, including Management Officers, Administrative Officers, Supervisors, Technical Officers, and Professional Officers. This is in accordance with the law. Including management, making new work plans every year and holding meetings every month to closely monitor and report on work results.

➤ **The equipment:**

- The Company has created a safety manual from using written equipment tools and put them on an internal website to allow employees to study and be aware of potential hazards of operations such as heavy lifting safety, crane safety, forklift driving safety, as well as personal protective equipment when in hazardous areas.
- The Company provides a systematic pre-use equipment inspection plan so that employees performing relevant duties, including subcontractors, are safe in their operations.

➤ **Employees:**

- The company requires employees who use tools and equipment to undergo training both according to the development plan and courses that are necessary according to the situation. And has a certificate from a reliable institute.
- More than 40% of employees have passed basic firefighting training, which is in accordance with the law.
- The company's employees receive fire evacuation drills every year.

➤ **The organization**

- The Company arranges to inspect the working environment both in terms of the intensity of light in the working area heat level and particulate matter measurement including the concentration of chemicals in the working environment in order to eliminate the causes of insecurity that will occur to employees and related parties.
- Provide publicity to all employees to be informed of the current situation in all communication channels. Such as intranet system, public relations boards and through various meeting systems both inside and outside the organization.
- The company provides suitable and convenient working space to reduce accidents from the use of the area. From effective and tangible management of occupational safety and health. Therefore, In 2021, the company recorded two work-to-work accidents, but there were no fatal work accidents.

Dealing with COVID-19

Throughout 2021, the epidemic situation of the Coronavirus Disease 2019 (COVID-19) remains a major challenge for the Company's operations. Caring for employees to be safe in terms of health Work security, including taking into account the well-being of the employees' families and other related persons, need to be more attentive due to the COVID -19 epidemic that has mutated and causes infection. Infection is easier than ever.

The Company has gained experience in managing its personnel during the crisis of the year. In 2020, the pandemic response plan was concise and covered all areas of work in a concrete way. This has been adopted as a code of conduct/application for 2021 as follows;

Preventive measures	Summary
Issue 1: Measures to prevent the spread of the coronavirus (COVID-19)	- Focus on those returning from overseas, both for work or personal travel. Must notify the supervisor and work at home for a period of 14 days, if no symptoms are found to return to work as usual - Those who need to travel abroad must obtain approval from the supervisor in all cases (including Travel, vacation) - For general employees with fever See the company nurse immediately for a detailed examination and suggestion properly
Issue 2: Measures to prevent the spread of the coronavirus (COVID-19)	- Refrain from traveling to and from or through vulnerable countries in all cases - Refrain from contacting customers or individuals from vulnerable countries and use alternative coordination channels such as VDO Call, etc. - Request cooperation, all employees strictly observe measures to take care of themselves and avoid vulnerable areas according to government announcements.
Issue 3: Measures to prevent the spread of the coronavirus (COVID-19)	- The situation is likely to increase as announced by the Ministry of Public Health, so it has punished employees who violate regulations by issuing written warnings and suspending operations for at least 14 days by disqualifying them from vacation or leave and not receiving pay on the day of the absence. - Strictly increased screening measures for employees before work and third parties, including unnecessary entrance and exit closures to make it easier to control the situation.
Issue 4: Measures to prevent the spread of the coronavirus (COVID-19) (Announcement of the Prime Minister's Office and the Ministry of Public Health informs that there is an epidemic and the number of infected people increases)	- Internal notice reminds the store clerk to complete the personal use on the table and clean after daily use. - Avoid entering crowded areas and try to keep a distance of at least 1 meter from others, as well as daily activities such as using stairs instead of living/ refraining from eating together/ refraining from chatting or group gatherings. - Always wear a face mask when out of your own area. - Require third parties to coordinate only on the 1st floor, refrain from boarding the building. If it is necessary to obtain permission from each line of management only first. - Prepare line groups to inform employees of important news in a timely manner.
Issue 5: Measures to prevent the spread of the coronavirus (COVID-19)	- Set policies for all lines of work to properly arrange employee working hours according to the situation and job description. This is based on the situation of notification from the Epidemic Care Working Group. - In the event of urgent emergency measures and employees must work at home full-time or announce from the government to stop carrying out all activities to reduce the spread of the pandemic. The Company may consider reducing wages under labor law and reducing all operational-related benefits. To avoid affecting employees and companies in the future.

Special announcement of guidelines for all employees working at home.	Refer to the full notice at HR 056/2020 with the following brief essence: - Consideration of work from home Must be approved by the management according to the line of work/ submission of journals/ In case of traveling, coordination outside the premises must be reported and authorized every time before. - Employees at home refer to normal working hours, avoid going out to the gathering place unnecessarily, distancing themselves from others within 1-2 meters/ wearing a face mask every time they talk to outsiders. If you have any risk-taking symptoms, seek medical notice and notify your supervisor.
Issue 6: Relaxation and Cancellation of Guidelines, Measures to Prevent the Coronavirus (COVID-19)	The government's assessment of the situation in accordance with the WHO criteria has deemed it appropriate to relax the enforcement of some measures, therefore CSS companies have the following guidelines: - Stop work from home and work as usual - Employees can travel to other provinces. And consider practices in the areas of the province that all the time - if employees are random events risk / need to close / touching an infected person has to seek medical attention and inform the HR urgent - Follow news and strictly comply with government announcements.

In addition to the measures set out as strong principles, the measures are also established. The Company has planned additional care and prevention processes regarding the COVID-19 pandemic. To ensure that employees are safe or at minimal risk of infection, we need to ensure that employees are safe or at risk of infection. This prevents the potential negative impact on employees, family and company as follows;

Employee care plans for 2021	Summary
Develop internal network communications/intranet and line applications 	- Requires regular notification of news and movements from the government when there is a new announcement - Preparation of public relations summarizing the news of the self-prevention guideline on a regular basis - Preparation of a form to report the situation of internal infections company every day by categorizing employees into groups, namely office workers delivery drivers and housewives to make it easier to manage.
Define a central working group by human resources management and assigned supervisors. 	- Prepare a summary of important information Verify the accuracy and spread the message to the supervisor to be informed on all communication channels. - Delivery of motion situation reports to the Executive Committee everytime the information changes in order to receive immediate resolution. - Coordinate, supervise and provide hospitals in case the employee suspects that they are infected or infected and then treated as soon as possible.
Prevention/disinfection plan 	- Cleaning by spraying disinfectant immediately If it is known and verified that the work area has employees who are at risk of being infected - Providing ATK check-ups before starting work in case of long weekends so that all employees can feel safe working in the premises. - Organizing internal document transfer system by defining the area of each department to place documents, refraining from entering and exiting non-departmental areas.

Professional customer management

In the midst of the COVID-19 crisis throughout 2021, the Company has managed to manage a wide range of obstacles from changes such as changing consumer behavior. Technology that has evolved in leaps and bounds, etc. Such change is inevitably a challenge. However, the Company remains committed to maintaining the standard of being a "one stop service" supplier to the most effective, reflected in the annual customer satisfaction survey.

In 2021, The Company pays attention to every important detail that will result in the best interests of its customers, including being a distributor of quality products. Effective control of management system, fair sales price convenient improvement in ordering and maintaining the quality of delivery in accordance with the contract. Based on these indicators, the Company conducted its 2021 Customer Satisfaction Survey and achieved satisfactory results. It was assessed at a level of 4.45 out of a score of 5.



Corporate social

A fundamental factor in supporting the company's growth leading to the path of sustainability is social operations to cover all internal and external stakeholders in the context of the organization. In particular, supporting activities that benefit employees, including the surrounding community areas of the company, should contribute to the growth along the way with the company. Therefore, operational strategies are aimed at bonding well with each other and supporting the creation of opportunities that lead to long-term self-reliance.

CSS promotes opportunities for community development

Donate Electrical Lighting Equipment

Communications & Systems PCL has provided electrical equipment and communication signal systems to support education in the Bilateral Vocational Education Management Cooperation Memorandum of Association project, with each college teachers being the recipients to take advantage of further education.

- Roi ET Technical College valued at 408,399.56 Baht
- Phon Thong Technical College valued at 420,933.68 Baht
- Sakon Nakhon Polytechnic College valued at 444,937.32 Baht
- Nakhae Technical College valued at 402,727.30 Baht

Delivering food boxes through the COVID-19 crisis

On May 25, 2021, Communications & Systems PCL, by Mr. Kittirat Mekmanee, the position of Managing Director of Business and Product Division, donate lighting equipment to school Bodindecha (Sing Singhaseni) worth 770,400 baht

Delivering food boxes through the COVID-19 crisis

On September 6, 2021 Communications and Systems PCL led by Mr. Kittirat Mekmanee, Managing Director of Business and Product Division, and Ms. Ananya Kreethaphon, Assistant Managing Director of Business and Product Division Join us to donate 500 boxes of food boxes to the governor of Nonthaburi to encourage us to go through the COVID-19 crisis together.

Donate a ventilator

Communication and Systems Public Company Limited by Ms. Ananya Kreethapol as Assistant Managing Director of Business and Product, Let's be a part of the Thai disaster project. Add kindness. To breathe for COVID-19 patients delivering the third round of respirators and medical equipment, distributing aid to more than 100 underfunded hospitals nationwide to help provide relief to Thai brothers and sisters in the wake of the COVID-19 pandemic.

Activity overview

“Donate electrical equipment and communication system”



Roi ET Technical College



Phon Thong Technical College



Sakon Nakhon Polytechnic College



Nakhae Technical College

“Donate lighting equipment” Bodindecha (Sing Singhaseni) School”



“Giving food boxes through the COVID-19 crisis”



“Donate ventilator”



“Peak Potential Peak Performance”



“Changing For Growth Peak Potential Peak Performance”



“Orientation for new employees”



“Training and review of working with legal cranes”



Course “Early Fire Extinguishing Practice” and evacuate the fire.”



Course “Applying Electronics in Work”

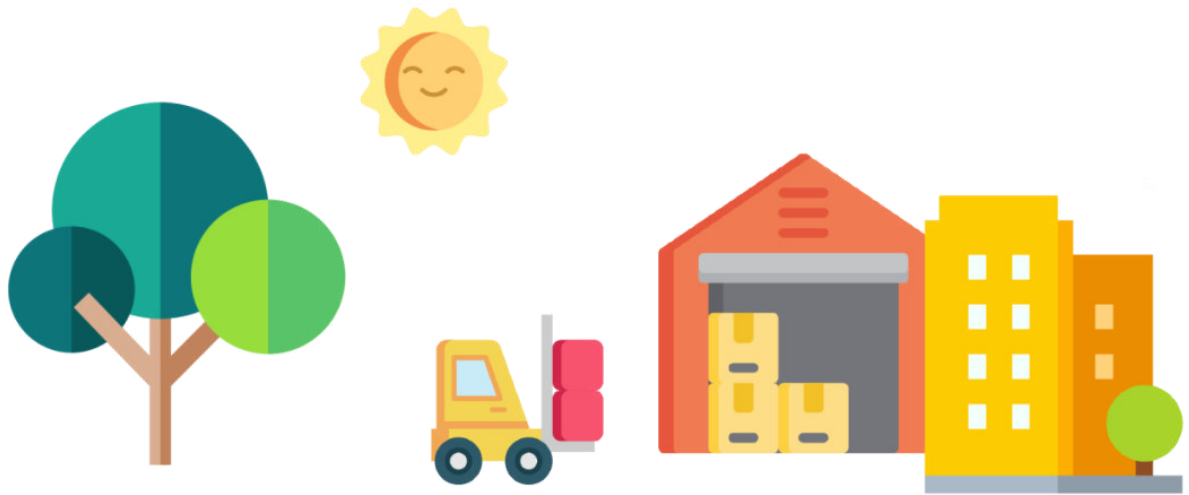


Environment Dimension

Management, Development and Environmental protection leading to sustainable mutual benefits

Company environmental management

Communications & Systems Solutions PCL. is aware of reducing environmental impacts or managing greenhouse gas emissions. Therefore, the focus is on managing the quality of the product in conjunction with maintaining the environment. The Company has established measures to monitor environmental quality annually by hiring VCARE Environmental Services Co., Ltd. This is a company that has been certified for its ability to perform tests by the Ministry of Industry. Office of Industrial Product Standards to conduct an environmental impact review to lead to a correction. Improve safety in accordance with international standards, including minimizing the impact on employee health.



Environmental quality	Result 2020	Result 2021
 Work area air quality - Total dust - Dust smaller than 10 microns	In standard (Warehouse building) 	In standard (Warehouse building) 
 Sound pressure level (8 hours average)	In standard (Warehouse building / in office building, 1-4 FL.) 	In standard (Warehouse building / in office building, 1-4 FL.) 
 Light intensity level	In standard (Warehouse building / in office building, 1-4 FL.) 	In standard (Warehouse building / in office building, 1-4 FL.) 
 Heat level	In standard (Warehouse building) 	In standard (Warehouse building) 

The company has been attentive to the company's wastewater disposal process. The effluent system shall be inspected correctly in accordance with the Ministry of Natural Resources and Environment (2005) announcement.

Measurement Check list	Unit	Measurement	Measurement results	Standard	Compare standards
pH	-	Electrometric Method	7.1 (2.5°C)	5.0-9.0	✓
Total Dissolved Solids	mg/L	Total Dissolved Solids dried at 180°C	288	-	-
			64*	500	✓
Total Suspended Solids	mg/L	Total Suspended Solids dried at 103-105°C	<10	40.0	✓
Biochemical Oxygen Demand	mg/L	5-Day BOD Test ,Azide Modification	23.2	30.0	✓
Sulfide	mg/L	Zns Precipitation Iodometric Method	<1.0	1.0	✓
Oil&Greases	mg/L	Liquid-Liquid, Partition-Gravimetric Method	<3.0	20.0	✓
Total Kjeldahl Nitrogen	mg/L	Semi-Macro Kjeldahl Method	<4.0	35.0	✓
Settleable Solids	mg/L	Settleable Solids	<0.1	0.5	✓
Water feature :			clear yellow, black sediment	-	-

Remark : 1.^[1]Notification of the Ministry of Natural Resources and Environment (2005) regarding the determination of control standards
Drainage from certain types and sizes of buildings (Type B).
2. The amount of solution can be In normal use water = 224 milligrams per liter.
* The total solution value of the effluent minus the normal water value. ✓ The measurement result is within the standard.



In addition, the Company has taken into account the safety of work operations and has set up a plan to monitor systems under the law, including:

System monitoring under the law	Quality method/criteria	Auditor / Administrator
Service & Facilities		
 - Office Elevator  - Transport elevator	- 1 time/month - 1 time/year	- ECG Corporation Co., Ltd. - Asia Service Express Co., Ltd
Electrical System		
 - Generator  - MDB Cabinet - Emergency Power Supply	- 1 time/week - 1 time/year - 1 time/year - 1 time/month	- Maintenance Department - Aiyara Engineering Co., Ltd. - Metropolitan Skylights - Maintenance Department
Air conditioning system	 - 2 months/time	- Air Consultants & Service Co., Ltd.
Hygiene & Environment System		
- Solid Waste Disposal System 	- 2 time/week	- Pakkret Municipality
Fire Protection & Suspension System		
- Fire alarm system - Fire Extinguisher - Fire pump system 	- 1 time/year - 1 time/month - 1 time/week - 1 time/year - 1 time/month	- JP Tech Engineering Co., Ltd. - Maintenance Department - Maintenance Department - NNT Engineering Co., Ltd. - Maintenance Department
- Fire Hose - Fire Prevention and Suspension Plan - Initial firefighting training and fire evacuation drills	- 1 time/year - 1 time/year	- Developed by Profession - Companies certified by the Office of Labor Protection and Welfare

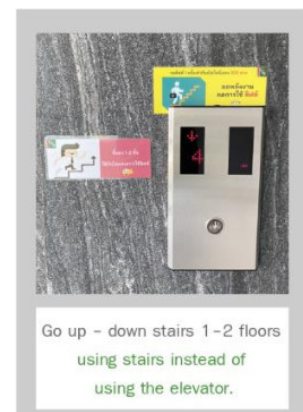
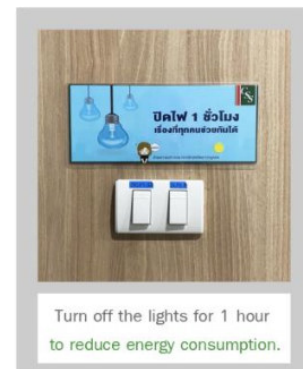
Enhance management with environmental friendliness

Due to environmental problems that occur today Most of them are caused by human activities and affect the environment, causing continuous changes in the world. The company has always been aware of such problems and has laid down the framework. Operations to manage the use of resources and energy to achieve maximum efficiency.

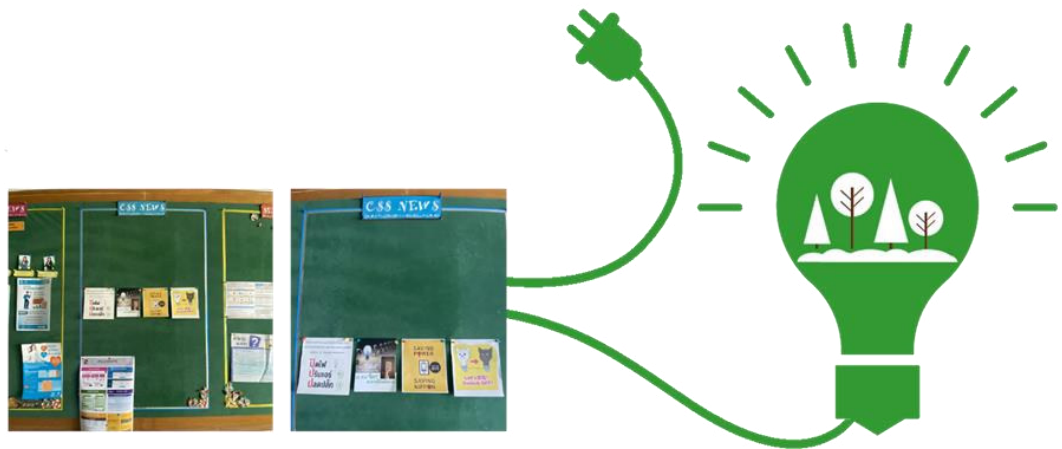
The short-term goals of environmentally friendly management are two main parts. The purpose of this study is to review policies to adapt to the situation each year. The second is the awareness of employees and stakeholders. More active environmental protection.

The long-term goal of environmentally friendly management is to focus on creating the results of environmental protection along with concrete processes in accordance with the international standard framework.

- The green office project of environmental management planning has been from 2020 to present. We will continue to adhere to the green office policy. The green office policy plan remains an important practice and communicates to stakeholders to have knowledge and understanding and awareness of problems and benefits on a regular basis. The goal is to create new behavioral changes to help protect the environment more.



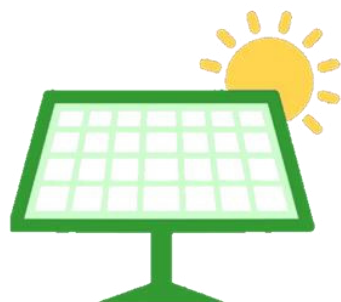
- Increase internal publicity for employees to be aware of problem prevention. This is due to changes in global temperature conditions. As well as promoting care-related activities. Maintain an increasing operational environment.



- The purchasing system has improved the efficiency of the work process to be more environmentally friendly. By improving the criteria for selecting vendors or service providers by applying factors regarding vendors who have been certified to environmental standards or encouraging environmentally friendly procurement and supporting the use of non-polluting products to the environment as one of the selection criteria.



- Manage energy efficiently by increasing the use of renewable energy. The Company has approved the installation of solar roofs in office buildings and warehouse segments, and established solar storage processes from rooftops equipped with solar cells so that they can be utilized immediately.



4. Management Discussion and Analysis

Audit Report.

2019	Audited by Ms.Krongkaew Limkittikul	A Certified Public Accountant - registration no. 5874 EY Office Limited
2020-2021	Audited by Mr.Preecha Arunnaral	A Certified Public Accountant - registration no. 5800 EY Office Limited

For financial statement of year end 2019 as of 31 December 2019

According to the auditor's report for consolidated financial statement of the Company and subsidiaries of year 2019, the auditor expressed his unqualified opinion that the financial statement presented operation result and cash flow for the same year end of the Company and subsidiaries and jointly-controlled entities and entities under sole control of the Company accurately, in all material respect in accordance with financial report standard according to report dated 28 February 2020.

And has address key audit matters about Goodwill, Allowance for doubtful accounts, net realizable value of inventories.

For financial statement of year end 2020 as of 31 December 2020

According to the auditor's report for consolidated financial statement of the Company and subsidiaries of year 2020, the auditor expressed his unqualified opinion that the financial statement presented operation result and cash flow for the same year end of the Company and subsidiaries and jointly-controlled entities and entities under sole control of the Company accurately, in all material respect in accordance with financial report standard according to report dated 25 February 2021.

And has address key audit matters about revenue recognition, allowance for the expected credit loss of the trade receivables, allowance for decline in inventory value Goodwill and other information.

For financial statement of year end 2021 as of 31 December 2021

According to the auditor's report for consolidated financial statement of the Company and subsidiaries of year 2021, the auditor expressed his unqualified opinion that the financial statement presented operation result and cash flow for the same year end of the Company and subsidiaries and jointly-controlled entities and entities under sole control of the Company accurately, in all material respect in accordance with financial report standard according to report dated 28 February 2021.

And has address key audit matters about revenue recognition, allowance for the expected credit loss of the trade receivables, allowance for decline in inventory value Goodwill and other information.

Analysis and explanation of the Management

Business Overview

Communication & System Solution Public Limited Company ("the Company") presently, the main income of the Company is obtained from sales of electrical wires and related equipment. As, trading business does not require high cost of investment in fixed assets as in production and distribution, but it does require high cost of working capital for purchasing and storing products for sale which need to be diversified to meet customers' requirements. The factors of success in trading business depending on marketing strategy, inventory management and effective payment collection. The Company distributes products of international standard manufacturers such as Phelps Dodge, BTicino and 3M Similar to distribution of other product types, gross profit from distribution of electrical wires and equipment is set in medium range rate, therefore, to increase the net profit, the Company concentrated on sales volume. In addition, the growth of such business distribution of electrical wires and equipment depending on economic growth of construction and real estate businesses mainly.

In addition, the company has income from installation services. This includes telecommunication installation services and fire protection equipment installation services and other installation services. by providing telecommunication installation services It is the main income of installation service items. but due to uncertainty of the economy after the coronavirus outbreak make the telecommunication industry no expansion and investment in network construction increased, causing the company to increase other sources of income, such as work related to the electrical system computer system security system Telecommunication systems and communication equipment alternative energy Construction contracts by participating in the bidding of government works and state enterprises.

Performance Overview

For the year 2021, the company has revenue from selling products as its main income. and has income from installation services as a secondary income revenue from sales of installation services and services increased from the previous year by 372 million baht. Installation services increased due to the changing economic conditions inside and outside the country. Including the competition of telecommunication signal providers As a result, investment in telecommunication network infrastructure. of the main service providers, the volume has been continuously decreasing make service work Telecommunication installations slowed down, which was the main income for installation service revenue. Therefore, the company has been looking for opportunities to expand the business to increase trade opportunities. by increasing the auction of government work related to communication equipment alternative energy electronic equipment and computer equipment including the construction business Which the company has expertise, resulting in revenue from other installations of the company continuously increasing and the company's sales growth as well Including effective cost management (decreased from the previous year) causing the company to have higher operating profit than the previous year. The company sold some of the land. resulting in profit from asset disposal amounting to 146 million baht

During the year, the Company received a dividend from Phu Khanh Solar Power Joint Stock Company amounting to 16 million baht. Nam So Hydro Power Company Limited in the amount of 11 million baht, causing the investment in Nam So Hydro Power Company Limited to increase from 38% to 39%.

The Company's consolidated financial statement comprises of consolidated financial statement of the Company and subsidiaries as per proportion of controlling-stake. The Company has controlling proportion of 99% in C.S.S. Energy Co.,Ltd, and 70% in Neonworx Communications (Thailand) Co.,Ltd, Investment in Nam Sor Hydro Power Co.,Ltd shows the investment under the equity method, and realized gain/loss from investment in associates. The analysis of financial status and operation result during 2019-2021 will be based on consolidated financial statement where the material parts are operation result of the Company and subsidiaries.

Operating Results

Total incomes

Main incomes of the Company into 3 main parts are from sales of electrical systems such as electrical wires and equipment and fire protection equipment etc. equipment for fire protection system. Revenue from installation service Consists of providing telecommunication installation services Providing fire installation services and other installation services. Other sources of incomes are such as revenue received from service of electrical equipment installation, marketing promotion of distributor, interest received, rent, profit from asset disposal, and profit from exchange rate. Structure of total incomes of the Company Group is summarized as follows

Revenue Structure	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Income	3,086.24	80.92	2,978.27	84.54	3,039.20	75.79
Revenue from installation services	705.53	18.50	503.78	14.30	814.95	20.33
Other income*	22.25	0.58	40.99	1.16	155.37	3.88
Total Income	3,814.02	100.00	3,523.04	100.00	4,009.53	100.00

During 2019-2021, the Company's total incomes were 3,814 Million Baht, 3,523 Million Baht and 4,010 Million Baht respectively. Main income was from sales of electrical wires and equipment which accounted 76 - 85% of total incomes. Other sources of incomes were from installation service which accounted 15-20% of total incomes.

In 2019, the company had total revenue of 3,841 million baht, a decrease of 16% compared to 2018 Sales revenue decreased by 123 million baht or 4% compared to the previous year. Revenue from installation services decreased by 612 million baht or 46% compared to the previous year. Telecom installation revenue decreased by more than 50 percent of installation service revenue. The proportion of revenue from sales and installation services is 80% and 18% of total revenue, respectively.

In 2020, the company had total revenue of approximately 3,523 million baht, a decrease of approximately 8% compared to 2019, the revenue from sales of products decreased by 108 million baht, or 3% compared to the previous year, the revenue from installation services decreased by 202 million baht, or 29% compared to the previous year. Due to the epidemic situation of coronavirus disease 2019, revenue from sales and installation services has decreased. Proportion of sales revenue and installation services are 85% and 14% of total revenue.

In 2021, the company had total revenue of approximately 4,010 million baht, an increase of approximately 14% compared to 2020. Revenue from sales of products increased by 61 million baht, an increase of 2% compared to the previous year. revenue from installation services increased by 311 million baht, an increase of 62%. Proportion of sales revenue and installation services are 76% and 20% of total revenue.

Incomes from sales and services

- **Total sales income**

Main incomes of the Company were from sales of electrical wires and equipment. During year 2019-2021, sale incomes of the Company reached 3,086 Million Baht 2,978 Million Baht and 3,039 Million Baht respectively

Sale income during year 2019-2021 is classified by products types as follows:

Sales Revenue	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Electrical wire	2,339.01	75.79	2,129.98	71.51	2,539.10	83.55
Electrical system control equipment	494.06	16.01	427.75	14.36	234.59	7.72
Electrical conduits and fittings	86.52	2.80	138.62	4.65	109.73	3.61
Cable	88.53	2.87	73.42	2.47	83.18	2.74
Lamps and lighting equipment	20.99	0.68	41.04	1.38	13.74	0.45
Passive fire protection materials and equipment	29.58	0.96	32.51	1.09	39.46	1.30
Electrical transformers	6.22	0.20	21.03	0.71	19.20	0.62
Other	21.33	0.69	113.92	3.83	0.20	0.01
Total Sales Revenues	3,086.24	100.00	2,978.27	100.00	3,039.20	100.00

Sales revenue in 2019 decreased by 126 million baht or 4% compared to the previous year. Revenue from cable sales decreased by 157 million baht or 6% compared to the previous year. Revenue from sales of electrical control equipment increased by 169 million baht or 52% compared to the previous year. Because the company has ordered special electrical control equipment from Provincial Electricity Authority and Metropolitan Electricity Authority As for other products, sales were similar to those of the previous year.

Sales revenue in 2020 compared with 2019, decreased 108 Million Baht or 4% compared to the previous year, with cable sales revenue decreasing 209 Million Baht or 9%.Electrical system control equipment revenue decreased 66 Million Baht or 13%, the revenue from conduit and installation equipment increased by 52 Million or 60% and other goods income increased 93 Million Baht from the subsidiary company sells products related to telecommunication system which is a special product.

Total sales revenue in 2021 compared to 2020 increased by 61 million baht or 2% compared to the previous year. The revenue from the sale of wires increased by 409 million baht or 19%, the revenue from the sale of electrical control equipment decreased by 193 million baht or 45%. Revenue from conduit and installation equipment decreased by 29 million, representing a 21%. Other types of products were similar to the previous year.

Revenues from sales of electrical cables and other electrical equipment of the Company come from sales to all domestic customers. by distributing to customers all over the country Almost all of them are private sector customers, about 2,400 customers. In addition, the company has a policy to focus on marketing in the government sector more state enterprises by assigning the subsidiary to be the operator in the work related to government work with such aggressive marketing policy The company is confident that it will help promote the company's income from selling products to increase continuously.

The Company has policy to seek for customers by direct contact the target groups by meeting and/or connecting through media such as telephone, fax and Internet etc. or through introduction of business allies such as the Board of Directors, executives, customers and suppliers. The Company has determined policy on analysis of financial status and payment record of customers on regular basis in order to specify and improve policy on credit loan approval as well as credit duration for each customer to ensure that the Company will be able to control sale volume to each customer efficiently.

- **Income from installation service**

Installation services of the Company are classified into 3 main types: (1) Service of Design, procure and contractor for installation of communication system including maintenance service thereof (2) Service of design, procurement and installation of Fire Protection System (3) Service of installation of electrical equipment (subsidiary). The Company's income derived from installation service were 706 Million Baht and 504 Million Baht and 815 Million Baht, in 2019-2021 or 18% and 14% and 20% respectively, such growth is mainly a result of increase of installation of communication system which accounted 40-75% of total income from installations.

Incomes received from installation service during year 2019-2021 are as follows:

installation service Revenues	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Telecommunication system installation revenue	343.13	48.63	362.24	71.90	339.93	41.71
Passive fire protection system installation revenue	39.71	5.63	34.38	6.83	23.29	2.86
Other service revenue	322.69	45.74	107.16	21.27	451.73	55.43
Total installation service revenues	705.53	100.00	503.78	100.00	814.95	100.00

During the year 2019-2021 the Company's income from installation of communication system amounted of 343 Million Baht, and 362 Million Baht and 340 Million Baht respectively, and compared to a percentage of total installation service revenue, accounting for 49%, 72% and 42%, The revenue from telecommunication installation services There is a tendency to decrease compared to the previous year due to the changing economic conditions inside and outside the country. as well as intense competition among telecommunication signal providers. As a result, the investment in telecommunication network infrastructure of the main operators has decreased continuously. causing the telecommunication installation service to slow down.

Income from installation of Fire Protection System totaled of 40 Million Baht, 34 Million Baht and 24 Million Baht between years 2019-2021 consecutively. which tends to decrease respectively due to the spread of the Coronavirus Disease 2019 (COVID-19) by the company providing design, procurement and contracting services for the installation of fire protection systems for customers. with the installation of fire protection materials and equipment to slow down according to the economic situation Income from other installations

Incomes from other services in 2019-2021 of 323 Million Baht, 107 Million Baht and 452 Million Baht, respectively. which income from other installations It will be the income that the company seeks opportunities to bring experience. and the expertise that the company has to increase the company's income Most of which are auctions of government agencies. state enterprises and private about communication equipment alternative energy electronic equipment and computer equipment.

In 2019, The Company Consists of the installation project of the fusing system of the Provincial Electricity Authority. Subsidiary companies, such as CCTV installation, UMS300 equipment installation, 'Digital network radio installation for forgiveness etc.

In 2020, The Company has other installation revenues include Solar Cells Project, Monitoring Receiver with NBTC's equipment and database acquisition and development project. Signaling system , Installation of solar pumping systems (Solar pump)

In 2021, other installation revenues consist of the project to increase the capacity of IT security systems, National Telecommunications Public Company Limited, and the project of installing and testing the 115 KV Monitoring Receiver switchgear system with equipment of the PEA.

- **Other incomes**

Other incomes of the Company are administrative income, commission, transportation fees, income from marketing promotion of manufacturers, interest received, rent, profit from assets disposal and profit from exchange rate etc. In 2019-2021 other income of the Company amounted at approximately 22 Million Baht, 41 Million Baht and 155 Million Baht consecutively, representing 1-4 % of total income

Details of other incomes of the Company during year 2019-2021 are as follows:

Other incomes	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
income from marketing promotion of manufacturers	2.60	11.70	0.29	0.71	1.49	0.96
Profit from exchange rate			27.59	67.33	2.71	1.75
profit from assets disposal and profit from exchange rate	2.40	10.79	6.53	15.93	146.27	94.14
transportation fees	1.34	6.03	1.70	4.15	1.68	1.08
Other*	1.79	8.05	4.87	11.88	3.22	2.07
Service	14.10	63.43	-	-	-	-
Other income	22.23	100.00	40.98	100.00	155.72	100.00

Remarks:* Other includes income from rent, profit/loss from exchange rate and adjustments etc.

Service income for the year 2019 is a collection of consulting fees from Associated company in the amount of 14 million baht

In 2020, the company had a foreign exchange gain of 28 Million Baht because it received a short-term loan from an associate in foreign currency.

In 2021, the Company had a profit from the sale of assets of 146 million baht due to the sale of some of the Company's land.

Cost of sales and service and coordination

Cost Structure and Gross Profit	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Income	3,086	100.00	2,978	100.00	3,039	100.00
Cost of Sales	2,772	89.83	2,632	88.38	2,648	87.13
Gross profit from sales	314	10.17	346	11.62	391	12.87
Revenue from linstallation services	706	100.00	504	100.00	815	100.00
Installation service cost	506	71.67	368	73.02	663	81.35
Installation Service Cost	200	28.33	136	26.98	152	18.65
Gross Profit	514	13.55	482	13.84	543	14.09

- **Cost of sales**

Costs of sales of the Company were mainly from cost of purchasing products for re-selling. Normally, the Company has policy to determine selling price by adding profit margin prior to selling to customers. In 2019-2021 cost of sales of the Company were 2,772 Million Baht, 2,632 Million Baht and 2,648 Million Baht respectively which represented 87-90% comparing to sale income respectively.

- **Cost of installation**

Cost of installation is derived from service provision on installation of communication system, fire protection system etc. During year 2019-2021 cost of installation were approximately 506 Million Baht, 368 Million Baht and 663 Million Baht respectively, representing 72%, 73% and 81% of installation incomes respectively. Cost of installation consists of main expenses such as labor cost, products used in installation such as telecommunication towers, equipment related to communication systems, equipment related to fire protection system, equipment related to electrical system etc. The cost of other installation work depends on the type of work.

Gross Profit

During 2019-2021 the Company's gross profit from sale(electrical wires, electrical equipment, electronic equipment and various communication devices) and installation service (telecommunications, installation of fire protection system and others) were 514 Million Baht and 482 Million Baht and 543 Million Baht accounted for approximately 14% of the gross profit margin.

- **Gross profit-sale of electrical wire ,equipment and communication equipment**

The Company's gross profits from sale of electrical equipment were approximately 314 Million Baht, 347 Million Baht and 391 Million Baht in year 2019-2021 respectively. Gross profit margin was 10%, 12% and 13% in 2019-2021 respectively . The gross margin was increased due to the profit from the sale of electric wire, the company's main product.

- **Gross Profit - Installation Service** (telecommunications, installation of fire protection system and others)

The Company's gross profits from installation service were approximately 200 Million Baht, 136 Million Baht and 152 Million Baht in year 2019-2021 and if compared to the gross margin also decreased from 27% to 19% due to increased revenue from other installation services with a gross margin of 10-15 percent.

Expenses

Major expenses of the Company were sales expense, administrative expense, and financial expenses. In the recent year, sale expenses and administrative expenses total income, total of the expenses represented 0.13-8% of total income. Summary and analysis of expense in each category is shown as following.

Expense	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Sale expense	77.63	16.94	76.22	17.07	67.42	17.05
Administrative expenses	364.22	79.49	359.67	80.57	322.75	81.65
Financial cost	16.34	3.57	10.52	2.36	5.11	1.30
Total Expenses	458.19	100.00	446.41	100.00	395.22	100.00

- **Sale expense**

Sale expenses include expenses related to sales persons, commission, transportation fee, sales promoting expenses mainly. In 2019-2021, sale expenses amounted of approximately 78 Million Baht, 76 Million Baht and 67 Million Baht respectively or 2% of total income.

- **Administrative expenses**

Administrative expenses during year 2019-2021 were 364 Million Baht and 360 Million Baht and 323 Million Baht respectively, representing 10% in year 2019 - 2020 and 8% in year 2021 of total income.

Significant administrative expenses comprise mainly employee expenses, accounting for approximately 41%, 41% and 55%, respectively, of administrative expenses. Other important administrative expenses consist of Asset depreciation utility bills Office material cost, consulting fee receivable insurance premiums and allowance for expected credit losses.

Share of profit (loss) from investments in Joint Venture Company

The company records the share of profits (losses) from joint ventures. According to the ratio that the company holds by holding shares in the company Namsor Hydro Power Company Limited holds 39% of the investment and holds 25% of the shares in PhuKhan Solar Power Joint Stock Company Limited.

Joint Venture Company	2019 value	2020 value	2021 value
Namsor Hydro Power Company Limited	(8,938)	(12,756)	(16,112)
Phu Khanh Solar Power Joint Stock Co.,Ltd	14,699	36,506	21,815
Total	5,761	23,750	5,703

Financial income

Financial income of the Company were from interest of money at financial institutions and short-term loans to associates. In 2019-2021, the Company has interest income of 27 Million Baht, 11 Million Baht and 2 Million Baht, respectively accounted for 0.05% of total income.

In 2019, the company had interest income of 27 Million Baht, an increase of 18 Million Baht from the previous year, due to the company lending money to associated companies with interest at the rate of 6.75-7% per annum.

In 2020, the Company earned interest income of 11 Million Baht, a decrease of 16 Million Baht from the previous year due to the company receiving loan repayment short term from an associate.

In 2021, the Company earned interest income of 2 Million Baht, a decrease of 9 Million Baht from the previous year due to the company receiving loan repayment short term from an associate.

Net profit

Net profits of the Company in year 2019-2021 were 86 Million Baht, 95 Million Baht and 248 Million Baht, representing net profit margin of 2% of total revenue for the year 2019, net profit margin of 3% of total revenue for the year 2020 and net profit margin of 6% of total revenue for the year 2021. Divided to shareholders' equity in 2019 – 2021 about 80 Million Baht, 93 Million Baht and 246 Million Baht respectively.

In 2019 profit before tax of the Company was 110 Million Baht, and corporate income tax expense was approximately 25 Million Baht, divided into interim corporate income tax approximately 30 Million Baht; deferred income tax incurred from temporary differences and reverse of temporary differences was approximately 5 Million Baht, tax expenses paid accounted 26% of profit before tax which such rate is higher than the rate stipulated due to adjustment on tax items.

In 2020 profit before tax of the Company was 112 Million Baht, and corporate income tax expense was approximately 17 Million Baht, divided into interim corporate income tax approximately 30 Million Baht; deferred income tax incurred from temporary differences and reverse of temporary differences was approximately 13 Million Baht, tax expenses paid accounted 27% of profit before tax.

In 2021 profit before tax of the Company was 310 Million Baht, and corporate income tax expense was approximately 62 Million Baht, divided into interim corporate income tax approximately 63 Million Baht; deferred income tax incurred from temporary differences and reverse of temporary differences was approximately 1 Million Baht, tax expenses paid accounted 20% of profit before tax.

During year 2019-2021, the Company's returns on equity were 5%, 6% and 14% respectively. The Company's dividend payment policy is to pay dividends at a rate of approximately 40% of its consolidated net income, after deduction of all reserves as required by law and the Company (see more details in Clause 1, Article 2.4 Dividend Payment Policy). During the year 2019 - 2021, the Company has a net profit from the Company's financial statements. Total amount of approximately 35 Million Baht, 72 Million Baht and 222 Million Baht, respectively, and paid dividends for such operating results to shareholders amounting to 24 Million Baht, 47 Million Baht and 70 Million Baht, respectively. Approximately 69%, 65% and 32% of net profit from the Company's separate financial statements, respectively. Details are summarized as follows:

Dividend	Dividend per share (THB)	Total dividend paid (Million Baht)
Dividend of year 2019 comprises:		
Interim dividend paid in cash to shareholders totaling 1,175 Million shares.	0.02	24
Totals dividend of the year 2019	0.02	24
Dividend of year 2020 comprises:		
Dividend for operation result during year 2019 - net after deduction of interim dividend, paid in cash to shareholders*	0.01	12
Interim dividend paid in cash to shareholders totaling 1,175 Million shares.	0.03	35
Dividend for operation result during year 2020 - net after deduction of interim dividend, paid in cash to shareholders*	0.03	35
Totals dividend of the year 2020	0.04	82
Dividend of year 2021 comprises:		
Interim dividend paid in cash to shareholders totaling 1,175 Million shares.	0.03	35
Dividend for operation result during year 2021 - net after deduction of 1st interim dividend, paid in cash to shareholders*	0.03	35
Totals dividend of the year 2021	0.06	70

Remark: As for the dividend payment from operations in 2021, at the rate of 0.13 baht per share. Has approved the payment of interim dividends for the year 2021 performance at the rate of 0.03 baht per share, remaining for the dividend payment of 0.10 baht per share, totaling 117.57 million baht. However, it must be approved by the Annual General Meeting of Shareholders for the year 2022 with the said dividend payment date within May 2022 for the future. The company will continue to strictly adhere to the dividend payment policy.

Financial Analysis

Total Assets

Total assets of the Company as of 31 December 2019-2021 amounted of and 3,631 Million Baht and approximately 3,068 Million Baht and 3,661 Million Baht respectively. Most of the assets are trade receivables and other receivables which portioned 28%-38% of total assets. Other assets are inventory which portioned 13-17% and property, building and equipment about 10%. In the year 2019 has investment in associated companies of 324 Million Baht or 9% of total assets.

Total assets as of ending year 2019 increased 189 Million Baht or 5% comparing to year 2018. Assets which increased were Short-term loans to a joint venture 298 Million Baht, inventory which increased 198 Million Baht, Cash and Cash equivalents were increased 126 Million Baht. Investment in joint venture increased 100 Million Baht. Assets which decreased were Trade receivables and other receivables and Contract assets decreased 422 Million Baht, Property, plant and equipment decreased 20 Million Baht.

Total assets as of ending year 2020 decreased 563 Million Baht or 15% comparing to year 2019. Assets which increased were Short-term loans to a joint venture 298 Million Baht. In addition, the income of the company has decreased. As a result, inventories and work-in-progress decreased by 267 Million Baht, including trade accounts receivable by 76 Million Baht, while contractual assets increased 54 Million Baht, cash and cash equivalents increased by 21 Million Baht.

Total assets at the end of 2021 increased approximately 593 million baht or 19% compared to the year 2020. The increased assets consisted of trade accounts receivable and assets arising from contracts increased by 488 million baht, increased inventories. 148 million baht, investments in associates increased by 58 million baht from profit sharing and additional investments. Decrease assets were deposits that were collateralized due to release of guarantee obligations from financial institutions. Including some land sales.

Trade receivables and other receivables

As of 31 December 2019-2021 the Company's trade receivables, other and Contract asset receivables were approximately at 1,198 Million Baht and 1,176 Million Baht and 1,664 Million Baht respectively, which represented 33%, 38% and 45% of total assets. Details of the Company's assets are as follows:

- **Trade receivables**

As of 31 December 2019-2021, the Company's trade receivables-net were approximately at 989 Million Baht, 918 Million Baht and 1,322 Million Baht respectively, represented 27%, 30% and 36% of total assets. The decrease in trade receivables is line with the sale volume of the Company. In addition, the Company has set clear policy on sale of products and approval of credit for customers based on credit rating, analysis on previous financial statements, financial status and business operation. The financial amount of credit approved is reviewed on regular basis. Averagely, the Company allows payment duration around 30-90 days. Details of trade receivables of the Company as of 31 December 2019-2021 are summarized as follows;

Table showing age of trade receivables

Items	2019		2020		2021	
	Value	Proportions	Value	Proportions	Value	Proportions
Not yet Due	477.00	44.63%	556.00	52.90%	901.00	61.71%
Trade Receivables past due						
Up to 3 Months	350.00	32.77%	258.00	24.55%	379.00	25.96%
3 - 6 Months	55.00	5.12%	31.00	2.95%	6.00	0.41%
6 - 12 Months	49.00	4.56%	42.00	4.00%	14.00	0.96%
Over 12 Months	138.00	12.93%	164.00	15.60%	160.00	10.96%
Total Trade Receivables	1,069.00	100.00%	1,051.00	100.00%	1,460.00	100.00%
Less: Allowance for expected credit losses	(80.00)	(7.45%)	(133.00)	(12.65%)	(138.00)	(9.45%)
Total Trade Receivables Net	989.00	92.55%	918.00	87.35%	1,322.00	90.55%

The Company has set policy on forecasting of allowance for expected credit losses based on record of payment collection, analysis of aging of outstanding payment. The Company sets its allowance for expected credit losses at 50% of receivable value for 6-12 months outstanding payment, 100% for outstanding payment up to 12 months.

As of 31 December 2019, the ratio of receivables which are not yet due and receivables which have outstanding payment less than 6 months amounted of 82% of total trade receivables while and the ratio of receivables that have been overdue since 6 months but not more than 12 months, approximately 5% and The ratio of overdue receivables for 12 months or more is approximately 13% of total trade receivables, respectively, and has set up an allowance for doubtful accounts of 80 Million Baht or approximately 7% of total trade receivables. As a result, the remaining trade accounts receivable - net approximately 989 Million Baht.

As of 31 December 2020 the ratio of receivables which are not yet due and receivables which have outstanding payment less than 6 months amounted of 80% of total trade receivables while and the ratio of receivables that have been overdue since 6 months but not more than 12 months, approximately 4% and The ratio of overdue receivables for 13 months or more is approximately 16% of total trade receivables, respectively, and has set up an allowance for doubtful accounts of 133 Million Baht or approximately 13% of total trade receivables. As a result, the remaining trade accounts receivable - net approximately 918 Million Baht.

As of 31 December 2021 the ratio of receivables which are not yet due and receivables which have outstanding payment less than 6 months amounted of 88% of total trade receivables while and the ratio of receivables that have been overdue since 6 months but not more than 12 months, approximately 1% and The ratio of overdue receivables for 13 months or more is approximately 11% of total trade receivables, respectively, and has set up an allowance for doubtful accounts of 138 Million Baht or approximately 9% of total trade receivables. As a result, the remaining trade accounts receivable - net approximately 1,322 Million Baht.

The executives are of the opinion that The Company's policy for setting aside allowances for expected credit losses has been adjusted to adopt the policy in accordance with the Financial Reporting Standard No. 9 on Financial Instruments and a system for controlling and monitoring debt repayment of debtors. However, the company may consider adjusting the debtor policy to be appropriate in accordance with the situation. Taking into account the risks and benefits that the company will receive.

During year 2019-2021 the Company's financial ration on collection period of sales were approximately 106 days, 89 days and 97 days respectively. Such duration was similar to credit loan policy for trade receivables of the Company.

- **Other receivables**

Others receivables consists of consists of other receivables, other accrued income, Upfront cost, advance costs and accrued interest which totaled of approximately 35 Million Baht and 29 Million Baht and 57 Million Baht, as of 31 December 2019-2021 respectively.

Contract assets

The company has contract assets. It comes from the revenue from the installation service that the company has already recognized. But not yet due for payment under the contract shown as "contract assets" and will be converted to trade accounts receivable when the Company has the right to receive payment without conditions, such as when the Company has completed the service. And customers take delivery of the work.

(Unit:Thousand Baht)

Items	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Accrued installation service income	13,085	7.56%	14,501	6.30%	38,308	13.44%
Unbilled revenue	159,860	92.43%	212,303	92.30%	243,512	85.40%
Performance insurance	25	0.01%	3,209	1.40%	3,313	1.16%
Assets resulting from the contract	172,970	100.00%	230,013	100.00%	285,133	100.00%

- **Assets recognized by the cost of completing a contract with a customer**

Assets recognized by the cost of completing the work in accordance with a contract with the customer. It is work during installation resulting from installation service income. Revenue recognition policy for installation services The Company will recognize the income when the assignment has been completed. By being able to measure the value and success of the event reasonably But for revenue from telecommunication installation services, the company It is recognized upon completion of 95% of the value of work and the other 5% is realized when there is a document confirming 100% of the success and 95% of the unfinished tasks the company is recognized as work in progress. Therefore recorded work value Unfinished work is work in progress in asset accounts recognized for the cost of completing a contract with the customer. Follow as;

(Unit:Thousand Baht)

Items	2019		2020		2021	
	Value	%	Value	%	Value	%
Telecommunication	32,172	22.53%	12,756	9.60%	8,083	3.36%
Other Installation	110,638	77.47%	120,103	90.40%	232,775	96.64%
Total	142,810	100.00%	132,859	100.00%	240,858	100.00%

In 2020, there were 13 Million Baht in telecommunication work-in-progress, compared with a decrease of 20 Million Baht in the previous year. Other in-installation work consisted of 2 Million Baht of fire protection equipment and 118 Million Baht of other installations.

In 2021, there were 8 Million Baht in telecommunication work-in-progress, compared with a decrease of 5 Million Baht in the previous year. Other in-installation work consisted of 2 Million Baht of fire protection equipment and 230 Million Baht of other installations.

Inventories

The Company has set policy on recording value of finished goods and on-going project based on cost (First in-First out) or the net value expected to receive depended on the lower value. Finished product (cables) recorded value as cost (specific) or the net value expected to receive depended on the lower value.

However, the Company records loss incurred from reduction of product value in income statement in case where the cost of inventory in any accounting period is higher than net profit expected to receive. Upon the circumstance that it is not necessary or less necessary to reduce of product value to be lower than product cost, the Company will reverse the loss recognized in the previous accounting period in income statement of the particular accounting period.

As of 31 December 2019-2021 the Company's inventory valued of approximately 629 Million Baht, 372 Million Baht, and 521 Million Baht respectively, which represented 17%, 12% and 17% of total assets respectively. Details of inventory of the Company as of 31 December 2019-2021 are concluded as follows:

(Unit:Thousand Baht)

Items	2019	2020	2021
Finished goods	657.85	400.46	540.54
Less: Reduce cost to net realizable value	(28.45)	(28.24)	(20.02)
Finished goods – net	629.39	372.22	520.52

Most of the Company's inventories are in the form of finished products. Which consists of electrical cables, electrical equipment, etc.

During year 2019 - 2021 the sale duration in average were 72 days, 61 days and 61 days consecutively. Presently, the Company has set its policy on storage of finished goods at around 30-60 days of sale volume forecast in order to be sufficient for customers' requirement which is consistent to the current sale duration of the Company.

The company has a policy to set aside an allowance for the devaluation of finished goods. The reserve will be set aside at a rate of 25% for the electricity cables that have been stored for more than 2 years and will be reserved at the rate of 25–100%, increasing according to the period of storage. For other products that have been stored for more than 1 year and damaged products (Bad) 100%. Due to the majority of the Company's finished products are electric wires. Therefore, there is no problem with obsolete and deterioration. At the end of 2021, there is a reserve of allowance for devaluation of finished goods amounting to 20 Million Baht.

Investments in joint venture companies

The company has investments in 2 associated companies,

1. Namsor Hydro Power Company Limited , which engages in the business of production and distribution of electric power plus hydro power. Which is located in Laos With investment ratio of 38%. During the year 2021, there was an additional investment of 11 million baht, causing the Company's shareholding to change from 38% to 39%.
2. PhuKhan Solar Power Joint Stock Company Limited., Which operates in the production and distribution of electric power from solar energy Which is located in the Socialist Republic of Vietnam investment ratio of 25%. Investments in joint venture are stated under equity method.

Property, plant and equipment

The company shows the land value at cost. Buildings and equipment It is stated at cost less accumulated depreciation and allowance for impairment (if any), depreciation of buildings and equipment. Calculated from the cost on the straight-line method over the estimated useful life of 5-20 years, depending on the type of property, building, useful life of 20 years, other assets. 5 years useful life

As of 31 December 2019-2021 the Company's property, building and equipment valued of approximately 367 Million Baht, 353 Million Baht and 284 Million Baht respectively, mainly are building and vehicles which represented 89%-91% of property, building and equipment consecutively. Other assets are vehicles, supporting devices for work contract represented 5% of property, building and equipment and net equipment respectively.

As of 2019 the Company's property, building and equipment decreased to 367 Million Baht. During the year, the company has purchased Office equipment and vehicles in the amount of 15 Million Baht and sold and written off in the amount of 11 Million Baht. Depreciation for the year 35 Million Baht.

As of 2020 the Company's property, building and equipment decreased to 353 Million Baht. During the year, the company has purchased Office equipment and vehicles in the amount of 15 Million Baht and sold and written off in the amount of 21 Million Baht. Depreciation for the year 29 Million Baht.

As of 2021 the Company's property, building and equipment decreased to 284 Million Baht. During the year, the company has purchased Office equipment and vehicles in the amount of 11 Million Baht and sold and written off in the amount of 62 Million Baht. Depreciation for the year 23 Million Baht.

Asset of deferred income tax

In 2016 the Company has implemented Accounting Standard Edition 12 subject: Income Tax to the regulation which determine that the Company shall specify temporary differences incurred out of differences of asset value and liability between accounting and taxation in order to recognize impact of tax as asset or liability of deferred income tax as stipulated in accounting standard. After implementation of such accounting standard, the Company's asset of deferred income tax as of 31 December 2019 – 2021 were 30 Million Baht, 43 Million Baht and 44 Million Baht respectively.

Source of fund

- **Structure of fund**

The ratio of debt per shareholders' equity (D/E) as of 31 December 2019-2021 was at 1.21 times, 0.84 time and 0.92 times, respectively, The debt to equity ratio is similar.

Liabilities

Total liabilities of the Company as of 31 December 2019-2021 were 1,988 Million Baht, 1,402 Million Baht and 1,759 Million Baht, respectively. Main liabilities were trade and other payables; The second part is short-term loans from financial institutions and contract liabilities.

Total liabilities of the Company as of 31 December 2019 were 1,988 Million Baht, which consist of current liabilities at the amount of 1,907 Million Baht, representing 96% of total liabilities. Main current liabilities are trade and other payables at approximately 1,117 Million Baht, Liabilities arising from the contract of 56 Million Baht and long-term loan which repayment due within 1 year at the amount of 15 Million Baht. The Company's non-current assets was 81 Million Baht, representing 4% of total liabilities. Main non-current liabilities consist of reserves for employees' benefit at 67 Million Baht and liabilities under hire-purchase contract-net from payment due within 1 year at the amount of 11 Million Baht.

Total liabilities of the Company as of 31 December 2020 were 1,402 Million Baht, which consist of current liabilities at the amount of 1,314 Million Baht, representing 94% of total liabilities. Main current liabilities are trade and other payables at approximately 1,000 Million Baht, Liabilities arising from the contract of 81 Million Baht and Short-term loans from financial institutions 200 million baht which repayment due within 1 year at the amount of 6 Million Baht and corporate income tax accrued amount 13 Million Baht ,The Company's non-current assets was 88 Million Baht, representing 6% of total liabilities. Main non-current liabilities consist of reserves for employees' benefit at 74 Million Baht and liabilities under hire-purchase contract-net from payment due within 1 year at the amount of 13 Million Baht.

Total liabilities of the Company as of 31 December 2021 were 1,759 Million Baht, which consist of current liabilities at the amount of 1,674 Million Baht, representing 95% of total liabilities. Main current liabilities are trade and other payables at approximately 1,335 Million Baht, Liabilities arising from the contract of 154 Million Baht and Short-term loans from financial institutions 105 million baht which repayment due within 1 year at the amount of 4 Million Baht and corporate income tax accrued amount 43 Million Baht ,The Company's non-current assets was 85 Million Baht, representing 5% of total liabilities. Main non-current liabilities consist of reserves for employees' benefit at 75 Million Baht and liabilities under hire-purchase contract-net from payment due within 1 year at the amount of 9 Million Baht.

- **Loans from financial institutions**

The Company's source of fund was mainly from short-term loans which the Company is exposing to the risk of financial liquidity. However, main financial credit the Company was granted were bank overdraft, short-term loan in form of promissory note, factoring service. The financial institutions grant the loan to enable the Company use as working capital in business operation to ensure that the Company will be able to repay the loan within the due course.

Liabilities incurred out of loan from financial institution as of 31 December 2021 are as follow:-

- **Short-term loan: total of 3,467 Million Baht divided into**
 - Bank overdraft at financial amount of 121 Million Baht.
 - Short-term promissory notes, trade on demand which is similar to promissory note but with option to withdraw cash from financial institution as of balance of receivables and/or payables of reference, financial credit total of 3,346 Million Baht.

As of December 31, 2021, the subsidiary has short-term credit line from financial institutions in the amount of 580 million baht.

- **Liabilities under the financial lease**

The Company has entered into financial lease and hire-purchase contract with leasing company in order to lease and hire-purchase vehicles for use in business operation of the Company. The duration of contract is averagely between 2-5 years. The repayment is set on monthly basis, average interest rate at 1.99-8.88% per year during 2019-2021.

As of 31 December, 2019-2021 the Company had obligation to pay the minimum rent as per financial lease contract and hire-purchase contract at the amount of 19 Million Baht, 20 Million Baht and 14 Million Baht consecutively. The details of payment are as follows:

(Unit: Million Baht)

	31 December 2019			31 December 2020			31 December 2021		
	Less than a year	1 - 5 years	Total	Less than a year	1 - 5 years	Total	Less than a year	1 - 5 years	Total
Future minimum lease payments	6.70	12.36	19.06	6.62	14.21	20.83	4.40	9.80	14.20
Deferred interest expenses	(0.82)	(1.28)	(2.10)	(0.99)	(1.59)	(2.58)	(0.70)	(0.89)	(1.59)
Present value of future minimum lease payments	5.88	11.08	16.96	5.63	12.61	18.25	3.70	8.91	12.61

- **Trade payables and other payables**

Trade payable and other creditors The company has a repayment policy of 30-120 days depending on the type of creditors and in 2019-2021, the repayment rate is 130 days, 127 days and 127 days, respectively.

(Unit: Million Baht)

	2019		2020		2021	
	Value	%	Value	Value	%	Value
Account payable	988,200	88.47	854,269	85.40	1,111,833	83.27
Accrued costs	62,899	5.63	79,818	7.98	101,658	7.61
other payable	10,636	0.95	11,300	1.13	24,089	1.80
Accrued expenses	55,302	4.95	57,959	5.49	97,702	7.32
Total	1,117,037	100.00	1,000,346	100.00	1,335,282	100

Trade Account payable and other payable as of December 31, 2019-2021 amounted to 1,117 Million, 1,000 Million and 1,335 Million, respectively, accrued costs. It is the estimated cost of installation service work. Caused by trade payables The billing document was not sent. But the company recognized installation service income, other payables and accrued expenses. As a service fee Paid by the company In the operation of the company such as sales promotion, commission, audit fee, electricity, water, telephone and other expenses etc.

- **Reserve for long-term employee benefits**

The company has reserved money to compensate employees when leaving work according to the Labor Protection Act. The compensation rate in the case of termination of employment is 67 Million Baht and 74 Million Baht and 75 Million Baht in 2019-2021 respectively.

Shareholders' equity

Shareholder's equity as of 31 December 2019-2021 were 1,643 Million Baht, 1,666 Million Baht, and 1,902 Million Baht respectively. The increase was in consistent with the net profit at 86 Million Baht, 94 Million Baht and 248 Million Baht respectively.

As of 31 December 2019 the Company's shareholder's equity was 1,643 Million Baht, consist of shareholder's equity 1,578 Million Baht and Non-controlling subsidiaries interests amount 65 Million Baht, decreased of 30 Million Baht from the previous year. Net profit of 85 Million Baht. During the year the Company paid dividend at the amount of 21 Million Baht and has other elements, shareholder equity 94 Million Baht.

As of 31 December 2020 the Company's shareholder's equity was 1,666 Million Baht, consist of shareholder's equity 1,599 Million Baht and Non-controlling subsidiaries interests amount 67 Million Baht, increased of 23 Million Baht from the previous year. Net profit of 95 Million Baht. During the year the Company paid dividend at the amount of 25 Million Baht and has other elements, shareholder equity 47 Million Baht.

As of 31 December 2021 the Company's shareholder's equity was 1,903 Million Baht, consist of shareholder's equity 1,833 Million Baht Other components, shareholders' equity 14 million baht and Non-controlling subsidiaries interests amount 68 Million Baht, increased of 236 Million Baht from the previous year. Net profit of 248 Million Baht. During the year the Company paid dividend at the amount of 59 Million Baht and has other elements, shareholder equity 71 Million Baht.

The ratio shows operating efficiency

	2019	2020	2021
Return On Fixed Assets (%)*	23%	26%	68%
Return On Assets (%)	2%	3%	6%
Total assets turnover (times)	1.09	1.05	1.04

During year 2019-2021 the Company was managed to operate business and generated income from asset constantly. Trend of utilization of the asset to business operation is likely to be better. Rate of return from fixed asset was approximately 23%, 26% and 68% respectively. Rate of return from asset were 2%, 3% and 6% respectively while the asset turnover were 1.09 times, 1.05 times and 1.04 times respectively.

Liquidity

(Unit: MillionTHB)

	2019	2020	2021
Net cash from operating activities	204.13	293.41	(174.21)
Net cash in investing activities	(341.03)	293.89	311.05
Net cash in financing activities	262.99	(566.69)	(172,17)
Net increase (decrease) in cash	126.08	20.61	(35.33)

As a result of business policy which aims to increase income from sales of product and service, most of the cash flow was spent as working capital in form of inventory and trade receivables. Therefore, in each year, the Company mainly spent cash flow in operating activities and investing activities.

In 2019, the Company used 110 Million Baht of cash flow from operating activities, profit before tax was 71 Million Baht while trade and other receivables decreased to 159 Million Baht, Contract asset decreased to 260 Million Baht. Inventory increased to 206 Million Baht. Trade and other payables increased to 149 Million Baht. Resulting in the company having cash flow from operating activities in the amount of 242 Million Baht and net cash from operating activities at 204 Million Baht. The company having Cash flow spent in investing activities at 341 Million Baht. Lending the joint venture about 316 Million Baht. Purchase of other assets totaling 6 Million Baht. Pay for investment in Nam Sor Hydro Power Co.,Ltd totaling 16 Million Baht. And pay for investment in Phu Khanh Solar Power about 96 Million Baht. The Company spent on funding activities at 263 Million Baht, loan of short-term increased to 398 Million Baht, long-term repayment amount of approximately 28 Million Baht. And repayment of long-term loan and liabilities under the financial leasing contract at the amount of approximately 12 Million Baht. Nonetheless in 2019 the Company paid dividend in cash to shareholders at the amount of 94 Million Baht. Therefore, the net cash flow in 2019 decreased to 126 Million Baht while cash and cash equivalent as of year-end 2019 was at 332 Million Baht.

In 2020, the company had a profit before tax of 112 million baht, with adjustments that did not affect cash, resulting in the company's profit of 176 million baht. The company's trade and other receivables decreased by 18 million baht. Assets under contract increased by 54 million baht. Inventories and Work in progress, decreased by 267 million baht, trade and other payables, decreased by 117 million baht, liabilities arising from contracts increased by 26 million baht, resulting in the company's cash flow from operating activities of 310 million baht. During the year, the company received interest of 11 million baht, paid interest of 9 million baht and paid income tax of 18 million baht, resulting in net cash from operating activities of 293 million baht. The Company has cash flow from

investing activities of 294 million baht, joint ventures repay loans of 298 million baht and the company uses cash flow from financing activities of 567 million baht from repayment of short-term loans of 495 million baht and repayment of long-term loans of 16 million baht, and repaying debt under the finance lease agreement of approximately 9 million baht at the end of 2020 equal to 353 million baht

In 2021, the company had a profit before tax of 310 million baht. There were adjustments that did not affect cash, resulting in the company's profit of 190 million baht. The company had trade accounts receivable and other receivables increased by 438 million baht. Assets under contract increased by 55 million baht. Inventories and work in process increased by 248 million baht, trade and other payables increased by 335 million baht. Liabilities arising from contracts increased by 72 million baht, causing the company to have net cash used in operating activities of 174 million baht. Cash from investing activities of 311 million baht came from the sale of assets of 202 million baht and deposits pledged as collateral from financial institutions of 115 million baht and received dividends from associates of 16 million baht. Cash flows used in financing activities amounted to 172 million baht came from repayment of short-term loans of 95 million baht and payment of liabilities under financial lease agreements of about 7 million baht and the company paid dividends to shareholders of 71 million baht. As a result, the Company's net cash flow in 2021 decreased by approximately 35 million baht and cash and cash equivalents at the end of 2021 were equal to 293 million baht.

The Company's liquidity ratio during year 2019-2021 were at 1.37 times, 1.55 times and 1.04 times consecutively while the quick liquidity ratio accounted at 0.80 times, 1.16 times and 1.18 times consecutively. Such ratios were ranked not very high level due to the business operation requires working capital. In the past years, the Company applied for short-term loan as a source of fund to purchase or reserve the products, expenditure on installation of communication system, fire protection system etc.

5. General and other important information

5.1 General information

Name of Company	: Communication & System Solution Public Limited Company
Stock Symbol	: CSS
Nature of business	: Distribution of electric cables and other electric devices, provision of telecommunication systems, passive fire protection products etc.
Head office	: 329 Moo.3, Banmai Sub-district, Parkred District, Nonthaburi
Chonburi branch office:	: 59 Moo 7, Bang Phra sub-district, Sriracha district, Chonburi
Company Registration No	: 0107548000561
Tel.	: 02-018-1111
Fax	: 02-018-1142
Website	: www.cssthailand.com
Company Secretary	: Ms. Nongnuch Temeesrisuk Tel. : 02-018-1111 / E-mail : secretary@cssthailand.com
Investor Relations	: Mrs. Prapussorn Lakwuthiwong Tel. : 02-018-1111 ext.5501 / E-mail : prapussorn@cssthailand.com
Registered Capital	: THB 588,036,884.50, divided into 1,176,073,769 shares at the par value of THB 0.50 per share
Paid-up capital	: THB 587,869,544.50, divided into 1,175,739,089 shares at the par value of THB 0.50 per share

5.1.1 General information of the subsidiary

Name of subsidiary (1)	: C.S.S. Energy Co., Ltd.
Nature of business	: Engage in the business relevant to the government authorities and energy business
Head office	: No.329 Moo.3, Banmai Sub-district, Parkred District, Nonthaburi
Chonburi branch office:	: No.59 Moo.7, Bang Phra sub-district, Sriracha district, Chonburi
Company Registration No	: 0125540007891
Tel.	: 02-018-1111 Fax: 02-018-1142
Registered Capital	: THB 150 million, divided into 1,500,000 shares, at the par value of THB 100 per share
Paid-up capital	: THB 150 million, divided into 1,500,000 shares, at the par value of THB 100 per share
Portion of shares hold	: 99.99% of the registered and paid-up capital

Name of subsidiary (2)	: Neonworx Communications (Thailand) Co., Ltd.
Nature of business	: Provision of telecommunication systems and turnkey maintenance
Head office	: 10 soi Naknivas 47, Naknivas Road, Ladprao Sub-district, Ladprao District, Bangkok.
Company Registration No	: 0105549083701
Tel.	: 02-539-6693 Fax: 02-539-6795
Registered Capital	: THB 10 million, divided into 100,000 shares, at the par value of 100 per share
Paid-up capital	: THB 10 million, divided into 100,000 shares, at the par value of 100 per share
Portion of shares hold	: 70% of the registered and paid-up capital

5.1.2 Reference

Securities registrar	:	Thailand Securities Depository Co., Ltd The Stock Exchange of Thailand Building, 93, Rachadapisek Road, Din Daeng sub-district, Din Daeng district, Bangkok 10400 Tel.: 02-009-9386 Fax: 02-009-9476
Auditors	:	Mr.Preecha Arunnaral and/or Miss.Siraporn Ouaanunkun and/or Mrs.Chonlaros Suntiasvaraporn EY Office Limited. 33 rd Floor, Lake Rajada Office Complex, 193/136-137, New Rajadapisek Road, Klongtoey, Bangkok 10110 Tel.: 02-264-0777 Fax : 02-264-0789-90
Internal Audit	:	Riskless Solution Co., Ltd. 43 Soi Udomsuk 30 yaek 1 , Bangna, Bangkok, 10260 Thailand. Tel.: 086-379-8600

5.2 Other information

-None-

5.3 Legal conflicts

-None-

Part 2 Corporate Governance

6. Corporate Governance

6.1 Corporate Governance Policy

The Company determined driven for business growth to be stable and sustainable with the goal of achieving success in the business of communications engineering and distribution services for systems engineering to be accepted and trusted by quality management at international standards. By adhering to responsibility to all stakeholders for business operations by managing business with fairness Transparent and verifiable According to the principles of good corporate governance principles. The Board of Directors intends to continuously develop and enhance the level of corporate governance, with scheduled for revision every year and always updated. To consistent with regulations and changing circumstances, to make the operation in these matters have been continuously developed. The Board of Directors is confident that good corporate governance practices to be successful, must be cooperated and practiced together in the organization. Therefore defined as policy for the executives and employees of The Company to comply with the policy Ethics and guidelines for corporate governance policies including communication create understanding and constantly monitor the performance of the corporate governance, Therefore has established a policy for corporate governance and business ethics In order to be a pattern for various operations as follows:

1. The Board of Directors, executives and all employees must adhere to the principles of corporate governance and business ethics. In order to be a guideline for behavior and perform duties as a motto in the operation
2. The Board of Directors have an important role with the management in determining the vision, strategy and goals of business operations By considering efficiency and effectiveness, transparency by adhering to responsibility to all stakeholders.
3. The Board of Directors and executives must be leaders in ethics and set good role model for performing duties with integrity. In accordance with the business ethics of The Company.

The Company has a Code of Best practice policy for enhance transparency and is beneficial to The Company's business operations, This will give confidence in the group of shareholders, investors and all relevant parties. Therefore, The Board of Directors has established the principles of corporate governance, which is a practice in accordance with good corporate governance guidelines. which is determined by the Stock Exchange of Thailand. The principles of corporate governance of The Company cover the following 5 principles:

1. Rights of Shareholders.
2. Equitable Treatment of Shareholders.
3. Roles of Stakeholders.
4. Disclosure and Transparency.
5. Board Responsibilities.

Which The Board of Directors has specified that the dissemination of good corporate governance policies of The Company for Stakeholders are informed via The Company's website on the topic of investor relations Corporate Governance Subtopics. Also The Company has prepared ethics and business ethics to be a guideline for The Directors, executives, and employees of The Company which has been publicized to employees both via Intranet system. In the year 2020, The Company operates under the aforementioned corporate governance policy in each category as follows:

Category 1 The Rights of Shareholders

The Board of Directors places importance on the basic rights of shareholders both as owners of The Company and as investors in stocks such as the right to trade or transfer stocks, the right to receive adequate information about The Company, the right to receive a share of the profits from The Company, rights in shareholder's meetings, the right to express an opinion, the right to take part in making decisions on important Company issues such as issuing dividends, appointing or removing directors, appointing auditors, and approving important business transactions that affect the running of the business. As well as having clear intention to not take any action that deprives the basic rights of shareholders which deprives the basic rights of shareholders and facilitates shareholders to exercise the rights that the shareholders deserve.

1.1. Protecting the rights of shareholders.

The Board of Directors recognizes and values the duty of overseeing and protecting the rights of shareholders. As well as protecting and promoting all shareholders to receive and exercise their basic rights in accordance with the laws and regulations of The Company appropriately, equitably and fairly according to The Company's restrictions and regulations of the office, The Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) including other related laws and consider matters that affect The Company, such as the allocation of dividends determination or amendment of company regulations and memorandum of association Capital reduction or increase of capital And approval of special items etc. The Company does not have a policy in a way that prevents shareholders from communicating with each other and there is no policy to make agreements between shareholders that have a significant impact on The Company or other shareholders.

1.2. Shareholders' Meeting

The Company organizes an Annual General Meeting within 4 months of the end of the fiscal year, for other shareholders' meetings, it will be an extraordinary meeting of shareholders. The Board of Directors will arrange a meeting as it deems appropriate, with policies to support and provide various processes to help facilitate meetings to support and encourage all shareholders including institutional investors attending the meeting and exercising the right to vote. In addition, The Company places importance on the date, time and venue of the meeting to be appropriate and convenient to attend the meeting of all shareholders, it allows the shareholders to propose the meeting agenda in advance before the meeting date according to the rules and relevant laws. Including the takedown public of the details of the securities, channels, time periods and results of the proposals to the shareholders via the website of the Stock Exchange of Thailand (SET). In the shareholders' meeting The Company has prepared a meeting invitation letter. Which specifies the meeting agenda, objectives, reasons, opinions and recommendations of The Board of Directors, along with relevant documents and information for each agenda in Thai, English, for publication on The Company's website and sent to shareholders in advance by post and if any shareholders have any queries can send questions that need to be answered in the shareholders' meeting in advance in accordance with the channels and criteria specified by The Company or able to make inquiries, suggestions or comments on relevant matters on the date of the shareholders' meeting after the meeting, The Company has recorded and prepared minutes of shareholders' meetings that are accurate, complete and can be inspected.

In the year 2021, The Company held a general meeting of shareholders. On Wednesday 27 April 2021 at 10:00 am at Jupiter Room 4-7, Impact Challenger Fl.1, Muang Thong Thani, 99 Popular Road, Ban Mai Subdistrict, Pak Kred District Nonthaburi Province. During the meeting, The Company did not add any meeting agendas or change important information without notifying shareholders in advance. In the 2021 Annual General Meeting of Shareholders, The Company proceeded as follows:

Before the shareholders' meeting

1. The Company gives shareholders the opportunity to participate by proposing the agenda of the general meeting of shareholders. and nominating a person to be a director Including sending questions in advance before the general meeting of shareholders for the 2021 Annual General Meeting of Shareholders, The Company requires the shareholders to propose the agenda and names of the persons to be appointed as directors for the 2021 Annual General Meeting of Shareholders, The Company requires the shareholders to propose the agenda and names of the persons to be appointed as directors in advance from 12 October 2020 until 15 January 2021, with The Company notifying shareholders Through the news system of The Stock Exchange of Thailand. Along with announcement of rules and specify clear procedures on The Company's website at www.cssthailand.com under the menu "Investor Information" under the heading "Shareholders' Meeting". At that time period no one proposed an agenda or propose a list of names that is suitable for Serve as a director.
2. The Company has announced the schedule of the annual general meeting of shareholders in advance, So that shareholders can allocate time to attend the meeting appropriately.
3. The Company disseminated the invitation letter and meeting documents in both Thai and English for foreign shareholders via The Company's website 30 days before the meeting date. In the year 2021, The Company disclosed the invitation letter and meeting documents on the website on 26 March 2021.
4. Presentation and delivery of information to shareholders The Company assigned Thailand Securities Depository Co., Ltd., which is the registrar of securities of The Company, to deliver the meeting invitation and meeting documents stating the agenda, objectives, rationale and opinions of The Board of directors and information Important to consideration Including The Company prepared in English for foreign shareholders and delivered to the shareholders no less than 21 days in advance of the meeting for the shareholders have sufficient time to study the information and make decisions In addition, The Company also posted in newspapers To specify the date, time, place and agenda for 3 consecutive days before the meeting.
5. The Company delivers the proxies in the form specified by law. As well as advice on proxies Along with the meeting invitation letter to facilitate the shareholders who are unable to attend the meeting by themselves and appoint a proxy to others or appoint any independent director as specified in the proxy to be a proxy to attend the meeting and vote as specified by the shareholders and providing stamp duty to the proxies free of charge.
6. The election of directors there is information specified educational background, work history, The number of companies that hold directorship positions, despite being in SET and not in SET, number of years in the position and type of committee proposed and attendance in the past year. Including showing policies criteria and guidelines for the selection of directors in the invitation letter to be the information for consideration of the shareholders' decision.
7. Agenda for determining remuneration for directors for the year. The Board of Directors has established a transparent remuneration determination process and approved by shareholders. By considering the remuneration of that director The Company has proposed to the shareholders to consider and approve all forms of compensation, both monthly compensation, the remuneration is a meeting allowance and remuneration in the form of gratuity. By dividing the presentation into groups and positions Including disclosure of policies and guidelines for determining compensation in the meeting invitation letter In order to be the information for consideration of the shareholders' decision.
8. The Company gives shareholders the opportunity to submit questions that need to be clarified on issues relating to the meeting agenda in advance of the meeting day via the email address of The Board secretary.
secretary@cssthailand.com or send question documents by post by addressed to the secretariat and to the shareholders (Investor Relations) Communication And Systems Solution Public Company Limited No. 329 Moo 3, Ban Mai Sub district, Pak Kred District Nonthaburi 11120.

The date of the shareholders' meeting

The Company supports and encourages all shareholders. Including all institutional investors exercising the right to attend the meeting and vote. In the shareholders' meeting, which facilitates and arranges the meeting transparently and can be examined and do not do anything That is depriving the rights of shareholders As well as allowing shareholders to ask questions and express their opinions appropriately. In addition, in the 2020 Annual General Meeting of Shareholders, The Company conducted the following activities on the meeting date as follows:

1. The Company facilitates and encourages all shareholders to attend the meeting by arranging a convenient meeting location. Also providing a shuttle service for shareholders to the meeting location, clearly specifying the drop-off points in the meeting invitation letter.
2. The Company has prepared personnel and technology By using the barcode system showing the registration number of each shareholder In order to facilitate the registration and examination of documents to the attendees appropriately, Sufficient, convenient, fast. Also The Company uses the meeting system of Affinity Relation Co., Ltd., from registration, vote counting and processing. Which can show the results to the meeting immediately and transparent, able to be inspected.
3. Prepare ballots for shareholders at the meeting.
4. Company Directors and Senior Executives Including the chairman of The Board and the chairman of every sub-committee attended the annual general meeting of shareholders to clarify and answer questions, listen to opinions and suggestions from shareholders. In addition, the auditor of The Company attended the general meeting of shareholders to answer questions for shareholders.
5. Notifying shareholders before starting the meeting regarding the rules methods of attending the meeting proxy and the use of ballots, along with explaining the rules and procedures for voting and counting votes to inform shareholders.
6. The Company gives the right to shareholders to vote 1 share per 1 vote.
7. Arrange for an independent person, including an auditor representative or minor shareholders participating in the examination of the voting in the shareholders 'meeting and disclosed in the minutes of the shareholders' meeting.
8. Arrange for legal advisors to attend the shareholders 'meeting and disclose in the minutes of the shareholders' meeting.
9. The Company gives rights to shareholders who attend the meeting after the meeting has started. Have the right to vote for the agenda being considered and not yet being voted on It was considered a quorum from the agenda that was attended and pronounce onwards.
10. Conducting the meeting according to the meeting agenda specified in the meeting invitation letter, In which the details any relevant information in each agenda has been informed to the shareholders in the meeting invitation letter and The Company does not add a meeting agenda or change important information without notifying shareholders in advance.
11. In the election of directors in place of those retired by rotation The Company requires the shareholders to vote for each individual director.
12. The Company allows the shareholders to freely express opinions, suggestions or ask questions in various agendas before voting. And recorded the questions and answers clearly in the minutes of the meeting.

After the shareholders' meeting

1. The Company arranges to notify the resolutions of the general meeting of shareholders and the voting results. Through the news system of the Stock Exchange of Thailand (SET) within the time specified by the SET.
2. After the shareholders' meeting ended The Company prepares the minutes of the shareholders' meeting with complete and complete details, including voting of approval, disapproval, abstention and invalid votes in every agenda. Agenda that requires voting And delivered to the Stock Exchange of Thailand within 14 days after the meeting date and also

published on The Company website at www.cssthai.com> Investor Relations > Shareholder Information So that the shareholders can check.

3. Announcement of images of the atmosphere of the Annual General Meeting of shareholders on The Company's website www.cssthai.com> Investor Relations > Multimedia presentation So that the shareholders who did not attend the meeting were informed the meeting atmosphere.

In the year 2021, The Company received 100 points from the assessment of the quality assessment of the general meeting of shareholders, which is evaluated by the Thai Investment Promotion Association.

Category 2 The Equitable Treatment of Shareholders

The Board of Directors recognizes the importance of treating shareholders and give equal opportunity to every shareholder and allocate voting rights at the meeting according to the number of shares held, one share equivalent to one vote, and will do nothing that restricts, violates or dispossess shareholders of their rights, whether major shareholders, minor shareholders, investors or foreign shareholders. The Company assigns an independent director to assist minor shareholders, allowing them to make proposals, express opinions or raise complaints with the independent director who will decide on the appropriate way to proceed in each case. For example, in the case of a complaint, the independent director will investigate the facts and find an appropriate solution. In the case of a proposal on an important issue that affects the stakeholders or The Company's business, the independent director will put the matter to a shareholder's meeting to consider putting it on the meeting agenda. Therefore establishing policy guidelines for supervision Protect and support all shareholders to receive fair and fair treatment as follows:

1. The meeting proceeds according to Company regulations, following the meeting agenda. Detailed information is presented for each item and relevant information is clearly presented for consideration. Additional items will not be added to the agenda without notifying shareholders in advance, unless there is good reason. If the shareholder is unable to attend the meeting in person, the shareholder may authorize the independent director or another individual to attend as a proxy, by using the power of attorney form sent out with the notice of the meeting. Voting is transparent and follows the meeting agenda. The election of directors gives shareholders the opportunity to exercise their right to appoint directors, with votes being cast for individuals.
2. The Company has also taken measures to prevent insider trading by related persons, which means directors, executives or any staff that work in units dealing with internal information (including spouses and children of minor age). Related persons are not permitted to trade in Company stock for a period of at least 1 month before the quarterly and annual financial statements are released and should wait for at least 24 hours after this information is made public. It is also forbidden to pass that information on to other individuals.
3. The Company informs directors and executives of their duty to report their stock holding in The Company and the penalties specified in the Securities and Exchange Act 1992 and the regulations of the Stock Exchange of Thailand. In instances where directors or executives trade Company stock, they must report the stock held by themselves, spouse and children who are still minors in compliance with Section 59 of the Securities and Exchange Act B.E. 2535 within 3 working days to the Office of the Securities and Exchange Commission for the information to be put into the public domain.
4. The Board of Directors has stipulated that The Directors, management and their related persons (as defined by SEC and SET) must prepare and submit a report on interests annually by disclosed the conflict of interest of The Directors and executives and review every year.
5. The Company gives shareholders the opportunity to propose meeting agendas and names of qualified and qualified persons. In order to be considered to be a director of The Company in advance of the date of the general meeting of shareholders in accordance with the rules, conditions and procedures that The Company or related laws. Including dissemination of the details, criteria, channels, duration and results of the agenda and names of the shareholders to the

shareholders via The Company website and the SET website. As well as informing the result of the meeting's agenda proposal and the name of the said person to shareholders for acknowledgment.

6. The Company prepares an invitation letter for the annual general meeting of shareholders, meeting documents, annual reports and report corporate social responsibility Both Thai and English.
7. The Company has sent Notice to the 2019 Annual General Meeting of Shareholders with the supporting documents to shareholders and publishes the documents on The Company's website in advance of the meeting date within the period specified by relevant laws and regulations.
8. In case of shareholders are unable to attend the meeting by themselves The Company has attached the Proxy Form B, Which is a form in which shareholders can specify their own voting guidelines for each agenda together with the notice of the meeting for allow shareholders who are not convenient to attend the meeting by themselves can authorize independent directors or other persons to attend the meeting and vote on their behalf. Also The Company publishes on The Company website for shareholders to download.
9. In the shareholders' meeting The Company makes use of voting cards on every agenda item that requires voting for transparency and can be checked in the event of a dispute later. Along with the counting of votes and revealing the voting and recording the resolution of the meeting clearly in the minutes of the meeting.
10. Giving the right to vote according to the number of shares held equally 1 share per 1 vote.
11. The Board of Directors conduct meeting followed by those listed in the notice of meeting without additional agenda. In order for fairness of shareholder who is absent.
12. In conducting Related Party Transactions, it must be done fairly. (Fair and at arm's length) By considering the normal price of the business or as a reference to the market price And consider the benefits of The Company as important. Which The Board of Directors supervising the compliance with the rules and disclosure of Related Parties Transaction of listed companies strictly.

In addition, The Board has clearly defined guidelines for the implementation as accordance with the laws, rules and regulations of the SET and the SEC. Along with regularly reviewing compliance with corporate governance principles Therefore, shareholders can be confident that they are treated and used, have an equal opportunity and justice.

Category 3 The Role of Stakeholders

The Board of The Company places importance in all groups of stakeholders, whether they are internal stakeholders, etc. The Company staff and management, or external stakeholders such as competitors, partners and customers. The Company is aware that support and input from all groups of stakeholders is valuable to The Company's business and development. Accordingly, The Company acts in compliance with the relevant laws and regulations to ensure that the rights of the stakeholders are properly respected. In addition, The Company has determined the scope of ethics and business ethics. Which announcements on The Company website and communicate with employees and executives as a guideline for the rights of all groups of stakeholders. To create a stable business environment, The Company works together with each group of stakeholders in the following ways:

(a) Shareholders

The Company is focused on development and continuous growth which will lead to an increase in Company earnings and profits. This will increase the value of The Company and mean that shareholders will receive the best returns.

(b) Customers

The Company considers the quality and standards of its products, while customer care and other responsibilities are carried out with honesty and fairness. Also maintain customers' relationship as well as sustainable improvement of customers' relationship and accept customers' suggestions and complains to improve customers' satisfaction.

(c) Partners

Company policy is to deal fairly with trading partners according to the trading terms and/or contractual agreements in order to establish good business relationships that benefit all parties.

(d) Competitors

The Company supports free and fair competition and conducts its business according to the regulatory framework on proper competition.

(e) Creditors

Company Policy is conduct in compliance with contract and conditions both in terms of repayment of loan, interest to maintain and other conditions. Also reports financial status to the creditors of requirements in the loan contract properly. The Company will report its creditors in advance if cannot fulfill the obligations in the agreement and jointly find solutions to fix problems.

(f) Employees

Company policy is to treat employees equitably and fairly, providing appropriate remuneration and welfare as well as supporting development of their knowledge and ability.

(g) Community and society

The Company recognizes its responsibilities towards the community and society, conducting an ethical business and supporting creative social projects as appropriate.

(h) The Environment

The Company strictly follows laws and regulations relating to the environment and constantly sets measures to control environmental impact. Also support employees to participate in the training related to environment and keep materials and equipment up to standards level to reduce the use of natural resources

(i) Do not breaches of intellectual property rights.

The Company has policy to employees shall protect and keep The Company's copyright, and intellectual properties in order to avoid any infringement by other individuals. And the employees shall respect and shall not breaches intellectual property rights of others.

(j) Respect of Human Rights

The Company focuses on respect for human rights. By conducting business under the labor law and human rights very seriously. To respect for the rights, freedoms and non-discrimination of labor rights, women's rights, children's right, and human dignity.

The Company operates in compliance with the relevant laws and regulations to ensure that the rights of stakeholders are well protected.

Company has realized of quality and standard of its products and services, resulting in its responsibility to the customers with honesty and fairness. Company conducts a customer satisfaction survey on a yearly basis in order to maintain a good relationship with customers there are topics as follows: 1) Product 2) Service management 3) Selling price 4) the order side 5) Delivery. In this year The Company has summarized customer satisfaction with the average score of 4.45 (5 points)

Also, The Board of Directors has established other operational guidelines related to social responsibility and care for the benefits of stakeholders as follows:

Guidelines for the process of reporting clues, wrongdoing or complaints

The Company has provided channels for all stakeholders to report or complain about unlawful activities or those in violation of the law, rules, regulations, or corporate governance principles including incorrect financial reports or defective internal control systems of The Company to the Independent Director and Audit Committee.

Channels to report or complain

E-mail : Audit_Com@cssthailand.com

Mail : The Audit Committee
Communication & System Solution PLC.
329 Moo.3 Banmai, Pakkred, Nonthaburi, 11120

Action after Receive the Complaint

Once we received the complaint, the Audit Committee will consider the complaint and inform the relevant parties to investigate facts about the complaint and resolve the complaint appropriately. The Audit Committee will periodically monitor the progress of complaint. The relevant parties will notify the result to the complainant within a reasonable period. The Audit Committee shall report to The Board of Directors.

Protection and Confidentiality of the Complainant

To protect the rights of complainant and relevant informants who acts in good faith, The Company shall keep all information of complainants and informants in confidentiality. Only the persons who are responsible in conducting inspection about the complaints can have access to such information. The assigned persons to handling the complaint are responsible for keeping all information regarding the complaint, relevant documents as confidential and shall not disclose such information to other persons unless the disclosure is required by laws. As of December 31, 2021, there were no complaints or giving clues to moral and corruption disorders through the channels of receiving complaints and clues of the company.

Guidelines for the process of anti-corruption

The Board recognizes and places importance on anti-corruption. By cooperating with various agencies in combating corruption as appropriate The Company is in the process of raising the of anti-corruption of the organization. To be certified as a member of the Private Sector Collective Action Coalition Against Corruption Project (CAC).

For the year 2021, although the situation of the Covid-19 epidemic Although the epidemic continues, the Company continues to adhere to anti-corruption guidelines by inserting written records in the Code of Conduct of the Company and its employees. Executive Committee and formulated into 5 key principles, which are awareness of the common interests over personal interests; Creating a corporate culture of transparency honesty in work being ashamed of corruption and awareness of sufficiency This is to be used as part of the company's annual internal audit planning strategy. As well as being used as a goal in planning various activities within the company as well it is an important mechanism for communicating to prevent fraud in the operation process as well.

Category 4 Disclosure and Transparency

The Board of Company is aware of the importance of the complete and accurate disclosure and transparency of financial and general information in accordance with the regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as other important information affecting The Company's stock price, as this influences decision making by investors and stakeholders. The Company makes information available to shareholders, investors and the general public through the channels provided by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as on The Company website: www.cssthai.com. Disclosure guidelines which cover company communications are as follows:

1. The Board of Directors is responsible for the disclosure of company information and reports. Including financial reports that are not financial information and other information in accordance with the rules and regulations of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) to be clear and clear and can be able to authenticate it.
2. The Board of Directors is responsible for overseeing that the reporting of information and various operations according to the annual information disclosure form 56-1 One report is complete, accurate and timely according to the law or other departments stipulated. Including disclosing such information on The Company website In order for the shareholders and the stakeholders to receive the information correctly and equally.
3. The Board of Directors is responsible for the financial reports of The Company which have been prepared. There is a report of The Board of Directors' responsibility for financial reports together with the auditor's report in the Annual Report form 56-1 One report, as well as supervising the management to prepare financial statements and financial information to be correct complete under the generally accepted accounting principles in Thailand and also choosing to use appropriate accounting policies and practice consistently. Including sufficient information disclosure in the financial statements. The Audit Committee will review the quality of financial reports and internal control systems, as well as sufficient disclosure of important information in the notes to financial statements.
4. The Company submits financial reports to the office of SEC and SET within the time limit and there are no conditional items for which the auditor has expressed opinions.
5. The Company has set to disclose information and news to shareholders, investors, and related parties through the SET's media and The Company's website for investors and all groups of stakeholders can access The Company information thoroughly and equally, such as financial statements, news documents, company regulations, etc.
6. The Company has prepared a report on responsibilities of Board on Financial Report as disclosed in form 56-1 One report and Annual Report together with report from auditors.
7. Disclosure of shareholding of The Board of Directors and Management clearly. The Board of Directors requires directors and executives to report the following:
 - a. Reporting on the purchase or sale of The Company's shares. Must be reported according to the regulations of the SET and the SEC.
 - b. Reporting the equity and related transactions. The Board of Directors assigned to The Directors must report to the stakeholders and reviewed annually.
8. The Company has provided a channel for disclosure of information, which is a way that shareholders, investors, and the general public can access information easily and equally. In both Thai and English In addition, The Company has provided the website of The Company as another way to disseminate important information of The Company. However, The Company is determined to develop the website of The Company to have up-to-date information at all times for investors and people who are interested can have access to company information.
9. In the part of Investor Relations, The Company assigned Mrs.Prapussorn Lakwuthiwong, manager of Corporate Secretary & Shareholders Department is responsible for communicating and providing information to investors, Shareholders and general public. Contact number is 02-018-1111 #5501
Email : prapussorn@cssthailand.com

In 2021, the company has no complaints about inaccurate announcements or disclosures of important events and ordering to amend the financial statements In addition, the company does not have any delay in submitting financial reports both quarterly and yearly.

Category 5 Responsibilities of The Board of Directors

1. Structure of The Board of Directors

The structure of the Board of Directors consists of individuals who are competent and must have a variety of skills, professions, specialties, gender, etc. The Board of Directors will play an important role in determining Policy and overview of the organization. It also an important role in overseeing, auditing and independently assessing the Company's performance as planned.

At 31 December 2021, The Board has 9 Directors consisting of 5 Executive Directors and 4 non-executive Directors who are qualified to be Independent directors and provide balance when votes are taken. In addition, there is also The Audit Committee consists of 4 Independent Directors who represent the shareholders in overseeing transparency in the governance of Company operations. The Independent Directors of The Company have qualifications regarding independence. According to the requirements of the Securities and Exchange Act and other relevant laws.

2. Subcommittee

The Board of Directors has also appointed 5 sub-committees to perform specific duties and propose matters to the Board of Directors for consideration or acknowledgment. Each sub-committee has the rights and duties as specified in the powers and duties of each sub-committee. The sub-committees are:

- Audit Committee
- Executive Committee
- Nomination, Remuneration and Corporate Governance Committee
- Risk Management Committee
- Strategy Committee

The Company has clearly separated the roles and responsibilities between the Board of Directors and the executives. The Board of Directors is responsible for formulating policies and supervising the operations of the executives at the policy level. While the executives are responsible for managing the company's operations in various fields in accordance with the specified policies.

The Company has a company secretary who is responsible for giving advice on rules and regulations that the Board of Directors must know and performing duties in overseeing the Board's activities. Including coordinating to ensure compliance with the Board of Directors' resolutions.

3. Role, Duties and Responsibilities of The Directors

The Board of Directors consists of individuals with a wide range of knowledge, skills and expertise. and have leadership which is acceptable The Board of Directors will take part in setting the vision, mission, strategy, policy and the company's budget, including guidelines for doing business as well as supervise the management to manage the operations in accordance with the policies set for efficiency and effectiveness under the framework of laws, objectives, regulations and resolutions of the shareholders' meeting The Board of Directors requires that the Company's vision, strategy, goals, plans and budgets be reviewed annually. As well as provide reports and follow-up on performance according to different principles approved and for the benefit of closely monitoring and supervising the Company's operations The Board of Directors therefore established various sub-committees to monitor and supervise the Company's operations.

Corporate Governance Policy

The Board of Directors has a written corporate governance policy that was accepted by The Board of Directors meeting in order that they might review this policy and act accordingly. Moreover, after The Company's ordinary shares are registered on the Stock Exchange of Thailand, The Company will act in accordance with the law and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The company has disclosed "Corporate Governance Policy" is posted on the Company's website under the heading Investor Relations. in corporate governance (<http://www.cssthai.com>)

Business Ethics and Code of Conduct

The Company has written a code of conduct for the Board of Directors, management and employees. for those involved Uphold it as a guideline for performing duties in accordance with the Company's mission with honesty, integrity and fairness in both treatment of the Company. All groups of stakeholders public and society as well as establishing a system to monitor compliance with such guidelines on a regular basis. The Company has announced and notified all employees and strictly adheres to them. including to ensure compliance with the said guidelines by the Ethics and Business Ethics Communication Company which has been disclosed on the company website and the company's internal website (intranet) The company also organizes training for employees. To ensure that operators are aware of and understand the Company's Code of Conduct and to ensure strict compliance.

The company has disclosed "Code of Business" is posted on the Company's website under the heading Investor Relations. in corporate governance (<http://www.cssthai.com>)

Conflicts of Interest

The Company's policy regarding conflict of interest is set on the principle that any decision affecting business operations should only be made in the interests of The Company and any action that creates a conflict of interest should be avoided. Persons with an interest in a matter under consideration must inform the Company off their relationship or connection in that matter must not take part in the decision and have no authority to approve that business.

The Audit Committee will advise The Board of Directors on matters that are connected and matters where there is conflict of interest, giving full consideration of the appropriateness in accordance with the guidelines of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

Committee report

The Audit Committee is responsible for reviewing financial reports with the Accounting Department and the auditor meeting together and presenting the financial reports to the Board of Directors every quarter. The Board of Directors is responsible for the Company's financial statements including financial information (Report on the responsibility of the committee for the report financial statements) appeared in 56-1 One report. The financial statements were prepared in accordance with the accounting standards certified and audited/reviewed by the Company's auditors. As well as to disclose important information both financial information and not financial on the basis of facts completely and consistently.

Leadership and Vision

The Board of Directors determines and approves the Company's vision, mission, strategy, goals, business plans and budget by requiring that the Board of Directors meet at least once a quarter to monitor the Company's performance. and acknowledge the important actions of the management The Board of Directors has set a vision and mission that is appropriate and consistent with the Company's business operations. Including annual reviews to ensure that the vision and mission of the company are appropriate and in accordance with the current situation and economic conditions, which is disclosed on the Company's website In the topic about the company > Vision and Mission subheading

Internal Control

The Company places importance on the internal control system at both the management and operational levels. To ensure operational efficiency, The Company has clearly defined in writing the duties and authority of those performing tasks and the executive. There is oversight of the beneficial use of Company property and the separation of duties between those performing tasks and those supervising and evaluating. The Company appoints the Audit Committee to test the internal control system and carry out an appropriate and effective internal audit, as well as to hire outside experts to inspect the internal control system and report the results to the Audit Committee to ensure that The Company's main operations follow the specified approach and are effective. In the year 2020, the audit results concluded that The Company has sufficient internal control to ensure confidence in achieving the specified operational objectives.

4 Risk Management

The Company made an evaluation of the adequacy of the existing internal control system in order to consider methods of revising operations to further improve efficiency.

In order to have an effective risk management process at every step in accordance with the principles of good corporate governance The Board therefore resolved to expand the scope of risk management to affiliated companies in order to create confidence among investors and all interested parties regarding business operations under the risk control system that has Guideline in accordance with consistent international principles and also reduces the risk that may occur in the future as well.

5. Meetings of The Board of Directors

The Board of Directors has a meeting of the Board of Directors at least every 3 months. Which the meeting is scheduled in advance for the whole year and able to schedule with special meeting called when necessary. Invitations are sent out 7 days in advance, unless the situation requires an emergency meeting to protect The Company's interests. Each meeting has a clearly organized agenda. Documents with full details are prepared and sent to The Directors in advance so that they have sufficient time to study the information before the meeting.

The Chairman and Company directors jointly set the agenda and decide the subjects to be discussed at the meeting, with every director having the chance to propose topics for inclusion. Directors may discuss and give their opinions openly and the Chairman summarizes and concludes the views expressed. Votes are passed by a majority with each director having one vote. Directors with an interest will not attend the meeting and/or vote on that matter. If votes are equal, the Chairman will have a deciding vote. The minutes of the meeting will be written after the meeting has finished and the approved minutes will be kept for inspection by The Directors and others.

The committee secretary will record the minutes of the meeting as well as record the discussion, Board of Directors' opinions and send it to the Chairman of the Board of Directors to consider and certify accuracy by proposing to the meeting to certify in the first agenda of the next meeting as well as to store information or documents related to meetings for easy reference later The company has sent documents supporting the agenda every time in advance (average 8 days).

In the year 2021, the schedule for the 2022 Board of Directors' meeting has been set in advance as follows:

No.	Board of Directors Meeting	Audit Committee Meeting	Nomination, Remuneration and Corporate Governance Committee Meeting	Risk Management Committee Meeting	Strategic Committee Meeting
1	28 Feb 2021	28 Feb 2021	28 Feb 2021	12 May 2021	26 Jan 2021
2	12 May 2021	12 May 2021			29 Mar 2021
3	10 Aug 2021	10 Aug 2021			7 Jun 2021
4	10 Nov 2021	10 Nov 2021			5 Jul 2021
5					6 Sep 2021
6					4 Oct 2021
7					6 Dec 2021

Note: However, a meeting may be called apart from the date specified above as necessary. or may change the date and time as necessary and appropriate

6. Remuneration of Directors and Executives

The Company has a policy to determine the appropriate remuneration for the Board of Directors and sub-committees. By considering the roles and responsibilities Directors who are assigned to be members of the sub-committees will receive additional remuneration according to their roles, duties and responsibilities, Which must be comparable to the compensation of other companies of similar size and type of business and proposed to the shareholders' meeting for approval.

For the remuneration of senior management The Board of Directors assigns the Nomination and Corporate Governance Committee to consider and determine the Managing Director's remuneration in accordance with the strategy. Company plans and long-term goals as well as provide an evaluation of the Managing Director's performance according to concrete criteria. Which is consistent with the financial performance and performance according to the objectives and goals that have been set and propose to the Board of Directors for approval.

7. Evaluation Performance of the Board of Directors and sub-committees.

The Company has a policy to ask its Board of Directors to the principles of good corporate governance for listed companies to evaluate its performances at least once a year with principles and threads in the assessment with the Stock Exchange of Thailand to consider and review their performances and issues and obstacles over the year and to increase the effectiveness of The Board of Directors by principle and the topic in the evaluation in accordance with the Stock Exchange of Thailand as follows.

1. Composition and Qualifications of The Board of Directors
2. Board Meetings
3. Roles and Responsibilities of The Board of Directors
4. Duties and Independence of The Board of Directors
5. Relationship with The Board of Directors Management
6. Board Development which appraise are different sub-headings based on roles and responsibilities.

For self-assessment process of Board, Nomination, Compensation, and Corporate Governance Committee will consider performance of The Board of Directors and the committees prior to propose to The Board of Directors for consideration. Secretary will submit the evaluation form to The Board of Directors to appraise annual performance. After evaluation process has been done, will be submitted back to secretary to collect scores of each individual. The results of the performance appraisal of The Board of Directors were analyzed and reported to The Board of Directors for acknowledgment and to seek direction in supporting the performance of The Board which evaluation comprises of self-assessment form of The Board, subcommittees and individual committee.

More than 85 %	=	Excellent
More than 75 %	=	Very Good
More than 65 %	=	Good
More than 50 %	=	Acceptable
Less than 50 %	=	To be improved

In 2021, the self-assessment of The Board of Directors, individual and sub-committees can be summarized as follows.

(A) Entire Board of Directors with an average score of 97.59 at an excellent level which the highest score is The Board of Directors' meeting. The Board Attach importance to the meeting and monitor the performance of the management to be in accordance with the strategy set or not In addition, the Board of Directors' meetings can express opinions freely. Which all suggestions are beneficial to all business operations

(B) Individual Board of Directors has an average score of 96.81 at an excellent level with the highest score being Structure and Qualifications of Board of Directors. Since Board of Directors is a person with diverse knowledge and capabilities and be able to provide useful advice for business.

(C) Audit Committee get an average score of 100 at an excellent level due to Audit Committee is able to perform duties in accordance with Charter of Audit Committee and being independent from management

(D) Nomination, Remuneration and Corporate Governance Committee get an average score of 93.58 at excellent level because of performing duties in recruiting directors and determining remuneration for directors, also manage to control company to comply with requirements of good corporate governance as well.

(E) Risk Management Committee with an average score of 93.58 at an excellent level, where the topic with the highest score is Risk Management Committee Meeting This is because the Risk Management Committee attaches great importance to meetings to manage risks that may affect the company and to manage those risks so they can be controlled. In addition, the Board of Directors can also provide advice that is beneficial to the Company's business operations.

(F) Strategy Committee with an average score of 95.34 at an excellent level, the highest score is topic of meeting. In the past year, economic conditions and situations changes rapidly and more intense, company has plans to invest in business expansion from various opinions of each director which is beneficial to decision and business.

(G) Executive Committee with an average score of 95.83 at an excellent level, the highest score is qualifications of directors and board meetings. Which, because in 2021, there will be a situation of the COVID 19 epidemic, which affects all sectors. The Executive Committee pays attention to the care of personnel within the organization. Therefore, the meeting was held to prepare for the situation that may arise and affect the operations. as well as has issued various measures for systematic supervision. However, in the past year it was a year when the economy was not very good. Therefore, the Executive Committee has to convene to brainstorm opinions on different operations including budget management in order to achieve the performance in accordance with the goals set.

8. Performance Assessment of President and Executives

Company has guidelines for evaluating performance of President and all executive levels by using corporate measurement and evaluation systems by dividing the assessment categories in 2 part are as follows:

- First part is using universal practice of Balanced Scorecard, which comprises of 4 factors such as financial, customer, internal and learning and development factors by the opportunity of Human Resource Department.
- Second part is regarding to leader performance based on the guidelines of the Stock Exchange of Thailand and apply to corporate practice under the responsibility of Secretary and Shareholders Department.

Besides evaluation guidelines, company also consider compensation for fairness and effectiveness based on information from the business results and comparison among the same industry which classify into short term . Salary criteria, annual Bonus, other welfare and long term benefits . Provident Fund etc., The Results of President's assessment leads to process of consideration by the Nomination, Compensation, and Corporate Governance Committee and will consider submit to The Board of Directors to consider onwards.

The Results of assessment results in 2021, the overall score has increased, with the score in 2020 being 88% and in 2021, the score is 79%. Decreased from internal processes because during the past year experienced problems with the Covid-19 epidemic As a result, the company has adjusted the work process from Onsite to work from home. This may result in reduced efficiency of internal processes. However, the President has supported the appropriate tools and equipment for use in the work from home period, including adjusting the internal working methods to suit the situation by adding protection policies as well as establishing various important measures to lead to confidence in generating sustainable returns.

New Director Orientation

The Company encourages The Directors to attend the training program to increase their understanding on the roles and responsibilities under the good corporate governance campaign by internal training Program and other institute.

Internal training The importance of new director orientation by assigning all incoming directors to attend and Executive team will provide themselves with information relevant to The Directors' duties

External training Company provides education training for new directors in various courses related to the roles and responsibilities of The Directors under the good corporate governance framework such as roles and duties of directors in accordance with the rules and regulations of The Directors, the Securities and Exchange Commission (SEC), Stock Exchange of Thailand (SET), Public Company Limited Act and Thai Institute of Directors (IOD) etc. also encourage specialized knowledge for directors to promote effective performance such as financial reporting knowledge.

9. Development of directors and executives of the company

The Board of Directors has a policy to promote training and knowledge to the directors involved in the Company's corporate governance system. which consists of Directors, Audit Committee Executive Director Risk Management Committee Member of the Nomination, Remuneration and Corporate Governance Committee as well as the company's executives in order for the operation to be continually developed if there is a change of directors The Company will provide guidance on the Company's business practices and information useful for the performance of duties of the new directors to encourage the performance of duties. Continuously effective under the framework of good corporate governance as follows:

Training of The Board of Directors

The company has a policy to promote training and knowledge to directors. To increase knowledge and understanding of the principles of good corporate governance, including the roles, duties and rules of directors in effective management under the framework of good corporate governance. which has a training history of the Board of Directors who attended the training course for directors of the Thai Institute of Directors Association as follows:

Policy on Director Remuneration

To provide remuneration for Directors, The Company will take into consideration the appropriateness of duties and responsibilities as assigned and compared with listed companies on SET with a similar industry. The Nomination, Remuneration and Corporate Governance Committee will propose to The Board of directors Meeting to approve The Directors' Remuneration.

Name	Position	Corporate Governance for Executives	Role of the Chairman Program (RCP)	Director Accreditation Program (DAP)	Director Certification Program (DCP)	Advanced Audit Committee Program (AACP)	Audit Committee Program (ACP)	Financial Statements for Director (FSD)	Board Matters & Trends (BMT)	Board That make a Difference (BMD)	Board Nomination and Compensation Program (BNCP)
1. Mr.Sompong Kangsawiwat	Chairman and Chief Executive Officer		2012	2006	2011			2012			
2. Assoc.Prof.Pitapat Chatacaraphat (Ph.D.)	Independent Director			2005	2005						
3. Mr.Chattaphum Khantiviriya	Independent Director		2008		2008		2005				
4. Assoc.Prof.Prapart Praisuwanna	Independent Director				2009			2013			
5. Mr.Vuthichai Duangratana (Ph.D.)	Independent Director				2014	2016					2018
6. Mr.Opas Tiawattananaraj	Director				2006,2011						
7. Mr.Kittirat Mekmanee	Director				2006,2011						
8. Ms.Panida Sawatwannarat	Director			2005	2005						
9. Ms.Nongnuch Temeesrisuk	Director			2005	2005	2015					

Training of The Board of Directors for the year 2021 are as follows:

In 2021, there is 1 director who attended the training is Ms.Panida Sawatwannarat training in TLCA CFO CPD Course No. 6/2021, titled "ESG Integration in Sustainable Investing"

10. Holding the position of the President in another company

The Board takes into account importance on the performance of duties as President to ensure the sufficient time to perform his duties. The Board of Directors has determined the policy for the Managing Director shall not be appointed as a Director in more than 2 other listed companies and must be agreed by The Board of Directors.

In addition, the Managing Director/Chief Executive Officer shall not hold Director Position in other company which has the same nature as and is in competition with the business of The Company unless The Board of Director has agreed. The above regulations are except being Director in subsidiary company.

11. Policy on Director Nomination

In its nomination of directors, The Company considered the lists of qualified persons to be appointed as Director of The Company and its subsidiaries. In this regard, the structure of The Board of Directors must have diversity of skills, professions, specialize, gender etc. They must be able to devote adequate time to their duties to benefit The Company's business. The Company provided the opportunity for shareholders to propose meeting agenda items and appointment of new director according to the good corporate governance criteria through The Company from October to January. The Nomination, Remuneration and Corporate Governance Committee will propose to Board of Directors Meeting before propose to the Annual General Meeting to shareholders onward

12. Determination of term of office of directors

The appropriate term of office for a director should not exceed 3 consecutive terms (since 2013 onwards), unless any director is suitable to hold office longer. The committee will consider independence and the efficiency of the performance of the said director's duties and explaining the reasons with the results of the performance of duties to the shareholders.

13. Holding the position of the Director in another company

The Board of Directors has set a policy for holding directorships in other companies. Each director may hold a directorship in no more than 5 companies listed on the Stock Exchange of Thailand.

14. The succession plan

Company recognizes importance of succession planning for top executives and the President to ensure sustainable management. Nomination and Remuneration Committee Corporate Governance determines qualifications of the successor to all aspects of management including knowledge management skills and experiences to ensure that the successor has knowledge sufficient ability to officiate. It also sets the potential for good leadership that information is based on assessment of the Stock Exchange of Thailand and applied to the context of company and assigned Human Resources Management to be responsible for project. Starting from the process of selection of external quality institutes and developed a program of qualified executive development that meets the criteria and guidelines which includes the testing and selection process on summary and report format. This will be used to provide information to the Nomination, Remuneration, and Corporate Governance Committee.

Governance of Operations of Subsidiaries and Associate Companies

The Company has the following policies on the governance of subsidiaries and associate companies:

- To send directors and/or persons assigned by The Company to be its representative according to the proportion of shares held in order to participate in the management of that business, including the right to vote in Board of Directors meetings and shareholders meeting, for the greatest benefit to The Company;
- To set the scope of authority and responsibilities of The Directors and executives representing The Company in that business in overseeing or taking part in setting important policies for business operations;

- To ensure complete and accurate disclosure of the financial status and operating results, transactions made between the subsidiary and a connected person, the acquisition or disposal of assets, or other important transactions of the subsidiary, and to apply the rules concerning disclosure and transactions of a nature similar to the rules of The Company;
- To ensure that there is an internal control system that is suitable, efficient and adequate for the main business of the subsidiary, and also other mechanisms in the governance of the subsidiary such as approving a capital increase or decrease, winding up the subsidiary etc.

Oversight of the use of inside information

The Company has the following policies and methods for the oversight of The Directors and executives using inside information that has not yet been publically disclosed for their own benefit, including the trading of assets:

- To inform directors and executives of various divisions regarding their duty to disclose assets held by themselves their spouse and children still of minor age to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand in compliance with Section 59 and subject to the penalties prescribed by Sections 59 and 275 of the Securities and Exchange Act B.E. 2535.
- To require directors and executives to report changes in their assets to the Office of the Securities and Exchange Commission in compliance with Section 59 of the Securities and Exchange Act B.E. 2535 within 3 business days from the date of the changes, and to send a copy of this report to The Company on the same day.
- The Company requires directors, executives and others carrying out related duties who receive important inside information that could influence the price of stock must refrain from trading in Company stock for a period of at least 1 month before the financial or inside information is disclosed publicly, and at least 24 hours afterwards, and also must not disclose that important information to others.

The Company will take disciplinary action against those violating rules against the use of inside information for their own benefit, including written warnings, pay cuts, suspension without pay or dismissal. Penalties will be determined by the intention of the act and the seriousness of the violation.

Significant changes and developments in policies, guidelines and systems of corporate governance in the past year

The Board of Directors gives importance to good corporate governance principles because it is the principle that helps strengthen the efficient and transparent management system and can be checked The Board of Directors will monitor and review of good corporate governance policy Business ethics every year.

In 2021, the company has improved the good corporate governance policy. To comply with good corporate governance principles for listed companies in 2017 and related laws This year, additional information about the privacy protection policy to cover all stakeholders

Compliance with good corporate governance principles in other matters.

The Board of Directors has established policies and encourages all employees of the Company to uphold ethical principles and the Company's Code of Conduct including corporate governance policy The ethics and business ethics were incorporated as part of the new employee orientation course. On the first day of work, employees will receive clarifications and understandings to adhere to. In addition, there is a continuous communication to employees about the company's corporate governance policy, such as a public relations board. and electronic communication channels (Intranet) with the aim of raising awareness of importance and it is the duty of everyone to work together Ensure that the Company's operations are consistent and strictly in accordance with the intent. In the past year, there were no instances where employees did not comply or violate the Company's Code of Conduct and Corporate Governance Policy.

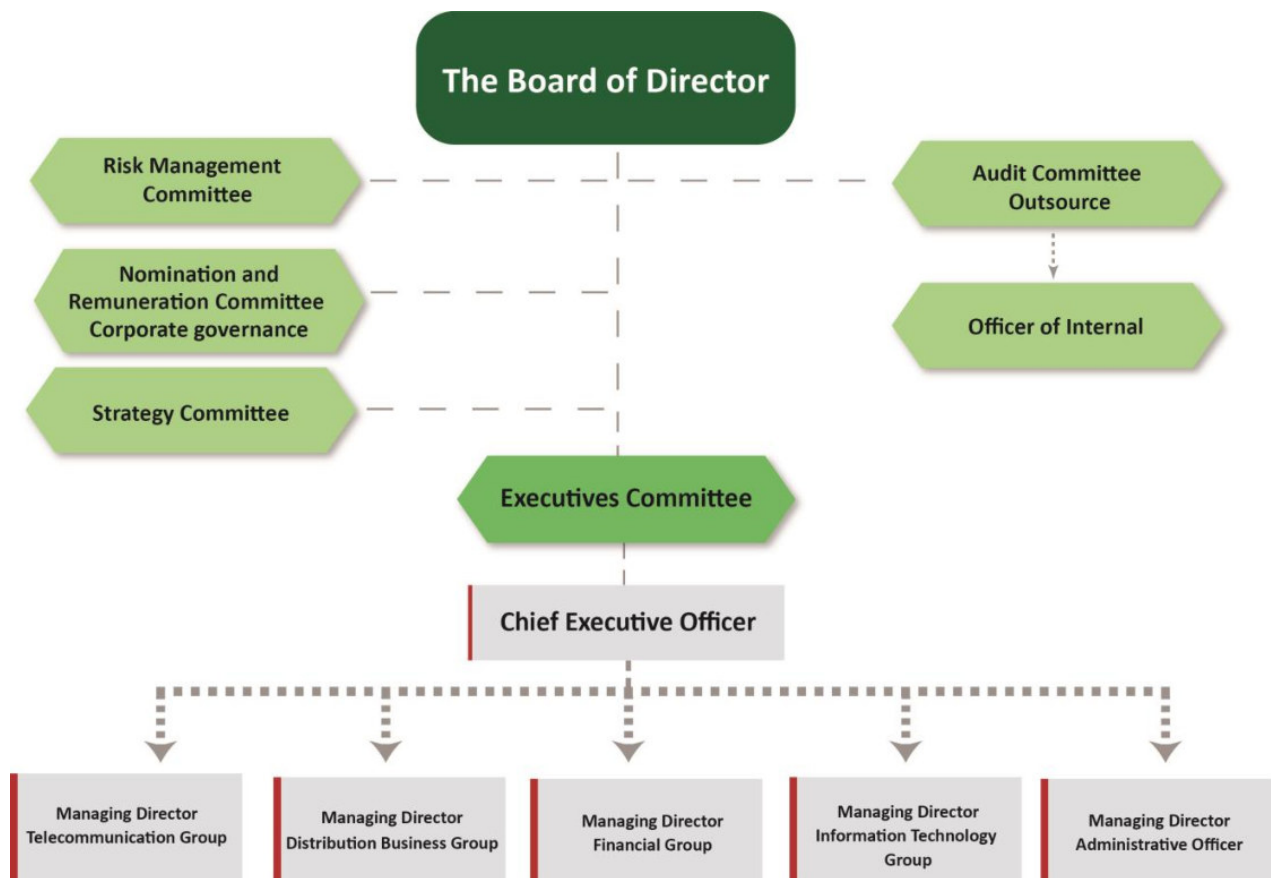
According to the survey conducted in 2021 of the Thai Institute of Directors Association summary of the survey The Company received an overall score in the "Excellent" The rating was 90%, It has been rated as a 5-star quality level for the 4th year in a row, demonstrating the company's commitment to continually developing CG standards to make the company a good and quality

organization. including being transparent and accountable. However, in 2021, it is still not possible to meet the criteria of the CGR program in the following areas:

Has not been implemented	Reason
1. The committee should consist of more than 50% independent directors.	The Board of Directors consists of qualified members with diverse qualifications, capabilities and experience. There are 4 independent directors out of the total of 9 directors, which are considered to be appropriate to the performance of The Board of directors.
2. The Chairman of The Board and the President shouldn't be the same person to divide the supervision duties and management responsibilities Clearly	Although the Chairman of the Board And the President are the same person And is not an independent director But the chairman of the board Has overseen the company Fair, transparent, verifiable by taking into account the interests of the company. By not allowing the benefit of any person It also supports and encourages directors and independent directors to Participate in discussions and express independent opinions. Including the company, there has never been a case In which the chairman has exercised the right to vote in order to decide in any resolution.
3. The Board of directors should specify that the independent directors hold their positions for not more than 9 years from the date of first appointment as independent directors.	As the independent directors are knowledgeable and are experts in the business of The Company Therefore is considered an important person for The Company to achieve the business success.
4. The Nomination, Remuneration and Corporate Governance Committee should be an independent committee.	The Nomination, Remuneration Committee consists of The Nomination Committee consists of 3 members consisting of 2 independent directors and 1 executive director. In which The Nomination, Remuneration Committee is an independent director .The Board of Directors has considered that The composition of the current selection committee is appropriate. Including all of the Nomination Committee who are qualified and able to perform their duties well and efficiently.
5. The non-executive board held a meeting among themselves without the management in attendance.	In the past year, The Company did not hold a meeting of non-executive directors, held meetings among themselves without management participation in the meetings. There is an opinion that the meeting will be held in 2022 to allow non-executive directors to discuss various issues. Regardless of The Company's business.
6. Anti-Corruption Action	The data preparation process is in progress due to the important data that is consistent with the internal audit plan of the internal control system auditors. Including the data review based on the self-assessment to prepare for the CAC certificate application.

7. Corporate Governance Structure and important information about the board Sub-committee, other employee executives

7.1 Management Structure



7.2 Information about the Board of Directors Sub-committee and executives

As of 31 December 2021, the management structure of The Company consists of the Board of Directors and the Executives. The Board of Directors consists of Independent Directors, executive and non-executive Directors. Half of the members are Independent Directors.

The Board of Directors determine to have 5 sets of committee with the Audit Committee, Nomination, Remuneration and Corporate Governance Committee, Risk Management Committee, Strategy Committee, Executive Committee and determine that the Chairman of the Board of Directors, Audit Committee and Nomination, Remuneration and Corporate Governance Committee are Independent Committee.

Structure of Directors and composition of the Board of Director

The Board of Directors provides the appropriate size businesses. The current Board has 9 directors consisting of 4 executives' directors and 4 non-executives' directors (Four are Independent Directors).

The Independent Directors are as follows;

- | | |
|-----------------------|------------------------|
| 1. Assoc.Prof.Pitipat | Chataccaraphat (Ph.D.) |
| 2. Mr. Chattaphum | Khantiviriya |
| 3. Assoc.Prof.Prapart | Praisuwanna |
| 4. Mr.Vuthichai | Duangratana (Ph.D.) |

Independent Directors

The present Board of Directors consists of 4 Independent Directors, which is a half of all Directors. The Company realizes the importance of good corporate governance which defined the Chairman of the Board must not be the same person as the President in view of clear-cut responsibilities and duties. The Board of Directors gives consent of the definition and qualifications of Independent Directors, the regulations of which are more stringent than those of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET), as follows:

1. Hold no more than 1% of the overall shares in The Company, subsidiaries, associated companies, or person(s) with potential conflicting interests.
2. Take no part in The Director administration, including not being an employee, personnel, permanent advisor, professional advisor to The Company such as an auditor, lawyer or authorized person of The Company or subsidiaries, or associated companies, or person(s) with potential conflicting interests and with no invested interest for no less than two years and can attend the Directors' meetings with independent opinions.
3. Have no business connection, no vested interest, whether directly or indirectly, financially or administratively, including not being a client, partner, supplier, trade or creditor/debtor of The Company, subsidiaries, associated companies, or person(s) with potential conflicts of interest and thus lacking independence.
4. Have no or never had business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of any person having business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to SEC.

The business relationship mentioned under the first paragraph shall include business transaction in ordinary business manner of rent, or lease the immovable property, transaction related to assets or services, or the financial support regardless of being lent or borrowed, guaranteed, secured, by assets, debt, and any otherwise similar performance which causes liability or obligation to the applicant or counter party, have provided that such liability is equal to or exceed 3% of the net tangible assets of the applicant or equal or above 20 million baht, whichever is lower. In this regard, the calculation of such liability shall be in accordance with the calculation method of the value of connected transaction under the Notification of Capital Market Supervisory Board governing the conditions of connected transaction *mutatis mutandis*. The liabilities incurred during a period of 1 year prior to the date of having business relationship with the above party shall be included on calculation of such liabilities.

5. Is not or has never been the auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of applicant, and is not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
6. Is not or has never been the professional service provider, including but not limited to legal service or financial advisor with received service fee more than 2 million baht per year from the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties, and is not the significant shareholder, controlling parties, or partner of the above mentioned service firms unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
7. Is not The Director who is nominated to be the representative of directors of the applicant, major shareholders, or any other shareholder related to the major shareholder.

8. Do not operate the same and competitive business with the business of the applicant, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor who receives salary, nor holds shares for more than 1% of the total shares with voting right of any other company which operates same and competitive business with the business of the applicant, or its subsidiaries.
9. Is not any otherwise which is unable to have the independent opinion regarding the business operation of the applicant.

7.2.1 Board of Directors

According to The Company's regulations, the Board of Directors consists of at least 5 and at least half of the directors must reside in the Kingdom without sex discrimination. The Directors must carry out their duties under the laws, objectives and regulations of The Company, as well as the resolutions of shareholders' meetings, safeguarding The Company's benefit and assign Company Executives to work on their behalf. The Board of Directors on 31 December 2021 is as follows;

The Board of Directors consists of : 9 People

	Name		Position
1	Mr.Sompong	Kangsawiwat	Chairman and Chief Executive Officer
2	Assoc.Prof.Pitipat	Chataccaraphat (Ph.D)***	Independent Director
3	Mr.Chattaphum	Khantiviriya	Independent Director
4	Assoc.Prof.Prapart	Praisuwanna*	Independent Director
5	Mr.Vuthichai	Duangratana (Ph.D)***	Independent Director
6	Mr.Opas	Tiyawattanoj***	Director
7	Mr.Kittirat	Mekmane	Director
8	Ms.Panida	Sawatwannarat***	Director
9	Ms.Nongnuch	Temeesrisuk**	Director

Remarks:

* Assoc.Prof.Prapart Praisuwanna is a non-executive Director who has work experience related to the business of The Company.

** The Corporate Secretary is Ms.Nongnuch Temeesrisuk.

*** Assoc. Prof.Pitipat Duangratana(Ph.D),Mr.Vuthichai Duangratana(Ph.D), Mr.Opas Tiyawattanoj,Ms.Panida Sawatwannarat The term of office in 2022. However, the appointment of the replacement directors who retired by rotation in the Annual General Meeting of Shareholders in 2022.

7.2.2 Authorized Directors to sign behalf and bind The Company as stated in The Company's certificate

The Directors authorized to sign their names binding The Company are Mr. Sompong Kangsawiwat, Mr. Opas Tiyawattanoj, Mr. Kittirat Mekmanee, Miss Panida Sawatwannarat and Miss Nongnuch Temeesrisuk, two out of five directors jointly sign their named affixed with The Company's seal.

Chairman of the Board

The Company adheres to the management principles that are clearly defined in accordance with the obligations strictly and recorded in writing for easy consideration and scoped decisions. Although the Chairman of the Board of Directors has held other positions as well, namely Chief Executive Officer Managing Director and is not an independent director but management is smooth and transparent.

It has also given importance to the opportunity to ask questions and provide independent suggestions. In addition, at least one-third of the Board of Directors is independent directors. But not less than 3 persons are independent directors. The Company has 4 independent directors to participate in setting agendas for the Board of Directors' meetings and to represent minority shareholders. Perform duties of checks and balances for the management of the Company's affairs in order to operate properly, fairly and for the best interests of the shareholders. The powers and duties of the Chairman of the Board of Directors are as follows:

Scope of duties and responsibilities of the Chairman of the Board of Directors

1. To be responsible as the leader of the Board of Directors to oversee the operations of The Company to achieve the objectives pursuant to the specified plan;
2. To act as the Chairman of the Board of Directors Meeting and the Shareholders' Meeting and ensure that the said meetings run in good order in accordance with the Public Limited Company Act and the Securities and Exchange Act;

To have a casting vote in case the Board of Directors Meeting and Shareholders' Meeting has a tie vote.

Scope of duties and responsibilities of the Board of Directors

1. To hold annual general meeting of shareholders within 4 months from the end of fiscal year.
2. To hold the Board of Directors' meeting at least every 3 months, with attendance of all directors. Extra meeting may be held in case of necessity.
3. To provide annual report, to be responsible for execution and disclosure of financial statement audited by the auditors in order to reveal the financial status and operation result of the previous year, as well as to propose to the shareholders' meeting for consideration and approval.
4. To authorize and be responsible for compliance with laws, objectives and The Company's regulations, including resolution of the shareholders' meeting with honesty, while maintaining the benefit of The Company and the shareholders on regular basis.
5. To determine target, approach, policy, operation and budget plan of The Company, to efficiently and effectively control and manage the operation of The Executive Committee to be in compliance with the assigned policy in order to add maximum economic value to The Company as well as highest benefit to the shareholders.
6. To have a power of appointment or supervise the committee or operative group to consider or execute in a particular matter as considered appropriated by the Board of Directors.
7. To have the power to audit and approve on policy, approach and operation plan for large investment project as proposed by the Committee and/or the management
8. To control and oversee the compliance to securities and stock exchange law, including regulations of the Stock Exchange such as execution of connected transaction and acquisition or disposal of significant assets under criteria of the Securities and Stock Exchange Commission or the Stock Exchange of Thailand or applicable laws related to the business of The Company.
9. To be responsible for shareholders and to operate business based on the highest benefit of the shareholders, including disclosure information to the investors with accuracy, adequacy, standards and transparency.
10. To consider the management structure, pursue work procedures to be consistent with operation and budget plan on regular basis, monitor business operation and work performance of the committee and/or the management on regular basis to ensure the effective business operation of The Company.

11. Must not operate any business or become a partner in ordinary partnerships or become a partner with unlimited liability in limited partnerships or become a director of other private company which have the same nature as and are in competition with the business of The Company regardless of for their own benefit or the others' unless the notification is made to shareholders meeting prior to the resolution for such appointment.
12. A director shall notify The Company without delay of direct or indirect interest in a contract entered into with The Company or holds shares or debentures in an increased or decreased amount of The Company or an affiliate company.
13. Responsible for shareholders and to operate business with focus on the highest benefit of the shareholders, including disclosing the information to the investors with accuracy, adequacy, standards and transparency.
14. To supervise and set up an internal audit system to enable effective internal control system, reliable risk management and reliable financial report. The Internal Audit Unit is assigned to monitor and jointly work and liaise with the Audit Committee as well as external auditor in reviewing the internal control system.
15. To have power to consider and approve any matters necessary and related to The Company or considered as appropriate and beneficial to The Company.
16. The following matters can be executed by the Board of Directors only upon approval from the shareholders' meeting:
 - a) Any matters as stipulated by law that requires resolutions from the shareholders' meeting and
 - b) Any matters where the directors' interest involved and under the law or notifications from the Securities and Stock Exchange Commission and the Stock Exchange of Thailand which stipulated to require approval from the shareholders' meeting.
17. The decision of the Board of Directors must receive approval from the shareholders' meeting with the votes of not less than three-fourths (3/4) of the shareholders attending the meeting and having the right to vote.
 - a) Disposal or transfer as a whole or important part to other person
 - b) Acquisition or receive business of other companies under ownership of The Company
 - c) Conveyance, amendment or termination of agreements concerning all leasing business of The Company, as a whole or important parts, delegation other person to operate The Company's business, or merging with other juristic person with intention to share the profit margin
 - d) Amend the memorandum of association or articles of association of The Company
 - e) Increase, reduction or issuance of debenture stock of The Company
 - f) Amalgamation or dissolution
 - g) Any other matters set forth under the securities and stock exchange law and/or notification from the Stock Exchange of Thailand that requires approval from the Board of Directors' meeting and the shareholders' meeting with the vote aforesaid.
18. Report on one's own portfolio of securities, as well as those of their spouses and children not yet of legal age in The Company and subsidiaries to the monthly Board of Directors meeting and must report to The Company without delay
19. Each Director cannot hold a Director position in a listed company in SET and subsidiary company more than five companies.

However, any matters where the directors and/or related person have interest or conflict of interest with The Company and/or its subsidiaries (if any), the said directors have not right to vote on such matter.

The appointment and retirement of the Board of Directors

1. At each annual general meeting of shareholders, 1/3 of the directors, or if the number is not a multiple of 3, then the number nearest to 1/3, must retire from office. The directors who have been the longest in office shall retire first. The retiring directors may be re-elected.
2. Prior to annual general meeting of shareholder, The Company will give an opportunity to any stakeholders to submit candidates, then the Nomination and Remuneration Committee will select and nominate qualified persons to be directors to the Board of Directors before seeking approval from the shareholders' meeting.
3. The shareholders' meeting shall appoint the Directors upon the rules and procedures below
 - 3.1 Each shareholder shall have one vote per share.
 - 3.2 Each shareholder may cast all his/her vote(s) according to electing one or several candidates as directors, and can allot the votes to any person at any number.
 - 3.3 The candidates receiving the highest number of votes in the respective order of the votes shall be elected as directors at such time. In the event that a number of candidates receiving an equal number of votes for the last directorship exceed the number of directors required, Chairman of the meeting shall have a casting vote.
4. Apart from retirement by rotation, the Directors shall vacate the office upon:
 - Death;
 - Resignation;
 - Lack of qualification or possession of prohibited characteristics as written in section 68 Public Limited Companies Act B.E. 2535;
 - Removal by resolutions of the Shareholders' meeting as written in section 76 Public Limited Companies Act B.E. 2535;
 - Dismissal by a court order.
5. In the case of any vacancy on the Board of Directors not by purpose of retirement by rotation, the Nomination and Remuneration Committee shall elect a person who is qualified and does not possess any prohibited characterize as provided by the Public Limited Companies Act and the Securities and Exchange Act, to become member of the subsequent Board of Directors' meeting. Unless the remaining term of the directorship is less than 2 months, the replacement shall retain his/her office as same as the period for which the former director was entitled to retain. The resolution of the Board of Directors in respect of the first paragraph shall consist of not less than three-fourth votes of the remaining directors.

Board of Directors' Meeting

The Chairman of the Board of Directors will be person who stipulate and consider agenda topic that allows each director to express his/her opinions freely and efficiently. In case of a Director having a stake in a matter being considered, The Director shall inform the meeting of such stake and shall not participate in discussing the matter and not exercise the voting right on the matter. In the event that the votes are equal, Chairman of the meeting shall have an additional casting vote for.

In addition, the minute report will be written completely after the meeting, information approved and stored so that it could be examined by authorized person. At least 2/3 of the total number of directors shall be presented to form a quorum at the same time of the Board passing a resolution. The Board of Directors should attend the board meeting consistently, with an average participation of at least 75% of total number of board meetings held in each year. (In 2021, The Board of Directors attendance about 100% of the meetings)

Details of Directors' attendance are as follows:

	Name		Position	Attendance (Times)				Remark
				Normal Term	Extra Term	Total	Meeting of Shareholders	
1	Mr.Sompong	Kangsawiwat	Chairman and Chief Executive Officer	4/4		4/4	1/1	
2	Assoc.Prof.Pitipat	Chataccaraphat (Ph.D)	Independent Director	4/4		4/4	1/1	
3	Mr.Chattaphum	Khantiviriya	Independent Director	4/4		4/4	1/1	
4	Assoc.Prof.Prapart	Praisuwanna	Independent Director	4/4		4/4	1/1	
5	Mr.Vuthichai	Duangratana (Ph.D)	Independent Director	4/4		4/4	1/1	
6	Mr.Opas	Tiyawattananroj	Director	4/4		4/4	1/1	
7	Mr.Kittirat	Mekmanee	Director	4/4		4/4	1/1	
8	Ms.Panida	Sawatwannarat	Director	4/4		4/4	1/1	
9	Ms.Nongnuch	Temeesrisuk	Director	4/4		4/4	1/1	

Report on Securities Holding of Directors, Executives, Director's spouse or minor child of directors and Executives

The Board of Directors has determined that directors and executives have a duty to report holdings of its own securities and related since the election as the directors and executives of The Company. Each time there is a change in the holding of such securities, Must Reports to The Company and the Securities and Exchange Commission of Thailand (SEC) Within 3 business days for report. In the Board of Directors Meeting No.1/2018 has approved The Company's Secretary to make report on Securities Holding of Directors, Executives, Director's spouse or minor child of directors and Executives to acknowledge before the Board of Directors Meeting on a quarterly basis as at 31 December 2020 are as follows;

Ordinary Share

No	Name	Position	Number of Shares at 31 December 2020	Number of Shares at 31 December 2021	In 2021 Increase (Decrease)	Ratio of the Company's shares (%)
<u>The Board of Director</u>						
1	Mr.Sompong Kangsawiat	Chairman and Chief Executive Officer	208,148,836	208,148,836	-	17.70
	Director's spouse or minor		1,794,300	-	(1,794,300)	(0.15)
2	Assoc.Prof.Pitipat Chataccaraphat (Ph.D.)	Chairman of Audit Committee/ Independent Director	-	-	-	-
	Director's spouse or minor		-	-	-	-
3	Mr.Chattaphum Khantiviriya	Member of Audit Committee /Independent Director	-	-	-	-
	Director's spouse or minor		-	-	-	-
4	Assoc.Prof.Prapart Praisuwanna	Member of Audit Committee /Independent Director	-	-	-	-
	Director's spouse or minor		-	-	-	-
5	Mr.Wuthichai Duangratana (Ph.D.)	Member of Audit Committee /Independent Director	250,000	250,000	-	-
	Director's spouse or minor		-	-	-	-
6	Mr.Opas Tiyawattanaoj	Director	58,339,711	58,339,711	-	4.96
	Director's spouse or minor		-	-	-	-
7	Mr.Kittirat Mekmanee	Director	30,058,756	30,058,756	-	2.56
	Director's spouse or minor		10,000,000	10,000,000	-	0.85
8	Ms.Panida Sawatwannarat	Director	3,341,688	3,341,688	-	0.28
	Director's spouse or minor		-	-	-	-
9	Ms.Nongnuch Temeesrisuk	Director	1,502,928	1,502,928	-	0.13
	Director's spouse or minor		-	-	-	-

No	Name	Position	Number of Shares at 31 December 2021	Number of Shares at 31 December 2021	In 2021 Increase (Decrease)	Ratio of the Company's shares (%)
Executives						
1	Mr.Sompong Kangsawiwat	The President	208,148,836	208,148,836	-	17.70
	Director's spouse or minor		1,794,300	-	(1,794,300)	(0.15)
2	Mr.Opas Tiyawattanaroj	Managing Director Telecommunication	58,339,711	58,339,711	-	4.96
	Director's spouse or minor		-	-	-	-
3	Mr.Kittirat Mekmanee	Managing Director Business Group	30,058,756	30,058,756	-	2.56
	Director's spouse or minor		10,000,000	10,000,000	-	0.85
4	Ms.Panida Sawatwannarat	Managing Director Finance & Control Group	3,341,688	3,341,688	-	0.28
	Director's spouse or minor		-	-	-	-
5	Ms.Nongnuch Temeesrisuk	Managing Director Management & Corporate Governance Group	1,502,928	1,502,928	-	0.13
	Director's spouse or minor		-	-	-	-
6	Mr.Narachet Chatratitipan	Managing Director Technology Group	-	-	-	-
	Director's spouse or minor		-	-	-	-

7.3 Information about the committees.

The Company's sub-committees consist of the Audit Committee. Nomination, Remuneration and Corporate Governance Committee Risk Management Committee Strategy Board and the Executive Committee as the following details,

The Audit Committee

The present Audit Committee consists of four Directors Having knowledge and experience in accounting, finance and auditing sufficient to review the reliability of the financial statements of all 4 persons. They are also qualified as independent directors according to the qualifications of the Securities and Exchange Commission and the Stock Exchange of Thailand.

In the year 2021, Audit Committee hold 4 meeting. Should attendance not less than 3 times. Members of The Audit Committee attendance about 100% of the meetings. At 31 December 2021, The names of the Audit Committee are:

Name - Surname	Position	The Meeting of the Audit Committee (Times)	Remark
1. Assoc.Prof.Pitipat Chataccaraphat (Ph.D.)	Chairman of Audit Committee	4/4	
2. Mr. Chataphum Khantiviriya	Member of Audit Committee	4/4	
3. Assoc.Prof.Prapart Praisuwanna	Member of Audit Committee	4/4	
4. Mr. Vuthichai Duangratana (Ph.D.)	Member of Audit Committee	4/4	

Assoc.Prof.Pitipat Chataccaraphat (Ph.D.) is an audit committee member who graduated directly in accounting.

Scope of Authority and Responsibilities of the Audit Committee

1. To verify the accuracy and adequacy of The Company's financial statement.
2. To verify The Company's Internal Control and Internal Audit systems are appropriate and effective, evaluate the independence of The Company's Internal Audit Unit, and approve the appointment, transfer and dismissal of the head of the Internal Audit Unit or any other unit that has responsibilities related to the internal audit.
3. To verify that The Company acts in compliance with the Securities and Exchange Act, regulations of the Stock Exchange and laws related to The Company's business.
4. To consider, select and propose the appointment of independent persons to act as auditors of The Company and their appropriate remuneration. They must also attend meetings with the auditors, without anyone from the management present, not less than 1 time per year.
5. To consider matters that is connected or may involve conflicts of interest, to ensure compliance with the law and regulations of the Stock Exchange and to have confidence that those matters are handled discreetly and in the best interests of The Company.
6. To produce the Audit Committee report for publication in The Company's annual report, to be signed by the Chairman of the Audit Committee and containing at least the following information.
 - a. Comments on the accuracy, completeness and reliability of The Company's financial report.
 - b. Comments on the adequacy of The Company's internal control system
 - c. Comments regarding the legality of practices in regard to the Securities and Exchange Act, regulations of the Stock Exchange or other laws relating to The Company's business.
 - d. Comments regarding the suitability of the internal auditor.
 - e. Comments matters where there is a possible conflict of interest.
 - f. The number of Audit Committee meetings and attendance of each committee member.
 - g. Comments or overall observations that the Audit Committee have received while carrying out duties in accordance with their charter
 - h. Other matters that should be reported to the shareholders or investors, within the scope of the duties and accountability received from the Board of Directors.
7. Other responsibilities assigned by the Board of Directors and accepted by the Audit Committee.
8. If, during the course of the aforementioned duties, the audit committee find or suspect any of the following matters or actions, which may have significant effects on The Company's financial stability or business operations, they should report to the Board of Directors so that the matter may be rectified within a time period that the audit committee sees fit.
 - a. Conflicts of interest.
 - b. Dishonesty, irregularities or flaws in the internal control system.
 - c. Violations of the Securities and Exchange Act, the regulations of the Stock Exchange or other laws relating to The Company's business. Should the Board of Directors or Company executives not rectify problems within the specified time period, one of the Audit Committee may report the matter to the Office of the Securities and Exchange Commission or the Stock Exchange.

Nomination, Remuneration and Corporate Governance Committee

The Board of Directors appoints the Nomination, Remuneration and Corporate Governance Committee to nominate and define criteria for transparent and fair remuneration to Directors and the senior executives in compliance. The Nomination, Remuneration and Corporate Governance Committee hold at least one meeting a year.

In the year 2021, the Nomination, Remuneration and Corporate Governance Committee held 1 meeting. Members of The Nomination, Remuneration and Corporate Governance Committee attendance 100% of the meeting. At 31 December 2021,

The names of Nomination, Remuneration and Corporate Governance are:

	Name	Position	The Meeting of the Committee	Remark
1	Assoc.Prof.Pitipat Chataccaraphat (Ph.D)	Chairman of Nomination, Remuneration and Corporate Governance Committee and Independent Director	1/1	
2	Mr.Chattaphum Khantiviriya	Member of Nomination, Remuneration and Corporate Governance Committee and Independent Director	1/1	
3	Ms.Panida Sawatwannarat	Member of Nomination, Remuneration and Corporate Governance Committee and Director	1/1	

Mrs.Prapussorn Lakwuthiwong is a secretary of the Nomination, Remuneration and Corporate Governance Committee

Scope of Authority and Responsibilities of the Nomination, Remuneration Committee

1. Nominate appropriately qualified persons to serve on The Company's Board of Directors and committees (if any), including the achievements, qualifications of outgoing directors and their suitability for re-election, for the consideration of the Board of Directors and the AGM for approval of the appointment as a Director and/or committee member (if necessary).
2. To advise the Board of Directors on approving the structure of compensation for the Board and committees (if any), including monthly remuneration, incentives, bonuses, welfare, meeting allowances and other benefits, financial and otherwise, for approval of the Directors annual compensation by the AGM.
3. To consider, search for and specify appropriate qualifications and also set the compensation structure and terms of the employment agreement for The Company's Chief Executive Officer.
4. To advise the Board of Directors and oversee matters regarding The Company's vision and human resources strategy, including an executive development plan.

To undertake other duties related to the nomination and remuneration of directors, committee members (if any) and the Chief Executive Officer as assigned by the Board of Directors.

Scope of Authority and Responsibilities of the Corporate Governance Committee

1. To consider, review, and present the following policies for the Board of Directors' approval. Such policies are Corporate Governance Policy, Code of Conduct, Corporate Social and Environmental Responsibility Policy, Sustainable Development Policy, and any practice for supporting The Company' operation in compliance with corporate governance, transparency, fairness, and sustainable growth.
2. To monitor, review and ensure that systems in the organization comply with code of conduct and best practices as defined.
3. To oversee and operate with the good corporate governance of law and regulations of the Securities and Stock Exchange Commission and the Stock Exchange of Thailand.
4. Assessing the performance of the Board of Directors, the individuals and sub-committee including in the assessment to present to the Board of Directors for consideration.
5. To monitor and report the organization's performance as said in Corporate Governance Policy and relevant policies to the Board of Directors and external organizations as appropriate.

Risk Management Committee

The Risk Management Committee is responsible for the appropriate management of The Company as assigned by the Board of Directors in written form. The Committee has 5 members, at least one of whom must be an independent director

In the year 2021, The Risk Management Committee held 1 meeting. Member of The Risk Management Committee attendance 100% of the meeting. At 31 December 2021, The names of The Risk Management Committee are as follows:

Name	Position	Risk Management Committee Meeting	Remark
1. Mr.Sompong Kangsawiwat	Chairman of Risk Management Committee	1/1	
2. Mr.Opas Tiawattananroj	Member of Risk Management Committee	1/1	
3. Mr.Kittirat Mekmanee	Member of Risk Management Committee	1/1	
4. Ms.Panida Sawatwannarat	Member of Risk Management Committee	1/1	
5. Mr.Chattaphum Khantiviriya	Member of Risk Management Committee and Independent Director	1/1	

Scope of Authority and Responsibilities of the Risk Management Committee

1. To set and present risk management policies for approval by the Board of Directors in areas such as liquidity risk, operational risk, marketing risk and other areas of significance for The Company.
2. To set strategies, plans and framework for risk management consistent with the policies, and analyzing, evaluating, testing and effective oversight of risk management procedures.
3. To study and revise The Company's working procedures in areas related to risk management to ensure that organizational risk management is adequate and appropriate.
4. To appoint persons and/or units and/or working groups and that are involve with risk management as appropriate and specifying their duties in accordance with the objectives.
5. To oversee, monitor and evaluate the work to ensure the appropriate use of risk management strategies in practice and for the revision and development of an efficient risk management system consistent with The Company's business operations, including assessment of potential risks that will affect operations from both external and internal factors.
6. To undertake any other duties related to risk management as assigned by the Board of Directors.

Strategic Committee

The Board of Directors has set up the Strategic Committee to oversee the investment operations of The Company also follow up the investment strategy. The strategic Committee holds 7 meetings each year. In 2021 Member of The Strategic Committee attendance about 100% of the meeting. At 31 December 2021. The names of The Strategic Committee are as follows:

Name	Position	Strategic Committee Meeting	Remark
1. Mr.Sompong Kangsawiwat	Chairman and Chief Executive Officer	6/6	
2. Assoc.Prof.Pitipat Chataccaraphat (Ph.D.)	Member of Strategic Committee	6/6	
3. Mr.Chattaphum Khantiviriya	Member of Strategic Committee	6/6	
4. Assoc.Prof.Prapart Praisuwan	Member of Strategic Committee	6/6	
5. Mr.Vuthichai Duangratana (Ph.D.)	Member of Strategic Committee	6/6	
6. Mr.Opas Tiwattananon	Member of Strategic Committee	6/6	
7. Mr.Kittirat Mekmanee	Member of Strategic Committee	6/6	
8. Ms.Panida Sawatwannarat	Member of Strategic Committee	6/6	
9. Ms.Nongnuch Temeesrisuk	Member of Strategic Committee	6/6	

Scope of Authority and Responsibilities of the Strategic Committee

1. Formulate strategies, plans and operational frameworks for investment of company to comply with investment policy which can analyze, evaluate, measure and track effectively
2. Study and review work processes of company in relation to investment to ensure that organization has appropriate management and investment management processes
3. Supervise, monitor and evaluate performance to ensure investment management strategies have been implemented appropriately and to review and develop an efficient investment management system in accordance with business operations
4. Perform any or tasks related to risk management as assigned by Board of Directors

Executives Committee

The Executive Committee of The Company consisted of 5 persons. The Executives Committee hold every month. In the year 2021, The Executive Committee holds 14 meetings. Members of the Executives Committee attendance 100% of the meetings. The names are as follows;

Name	Position	Executives Committee Meeting	Remark
1. Mr.Sompong Kangsawiwat	Chairman of Executives Committee	14/14	
2. Mr.Opas Tiyawattanaraj	Member of Executives Committee	14/14	
3. Mr.Kittirat Mekmanee	Member of Executives Committee	14/14	
4. Ms.Panida Sawatwannarat	Member of Executives Committee	14/14	
5. Ms.Nongnuch Temeesrisuk	Member of Executives Committee	14/14	

Authorities and Duties of Chief Executives Officer

1. Govern and monitor the performance of Executive Committee
2. Advise the management on business procedure
3. Govern and monitor Management to perform according to the resolution of the Board of Directors
4. Perform other duties as assigned by the Board of Directors

Scope of Authority and Responsibilities of The Executive Committee

1. The Executive Committee has authority over management and corporate operations as specified by the Board of Directors or by approval of the Board in particular instances.
2. The Executive Committee has authority over the administration of The Company in accordance with the policies and plans that have been set.
3. The Executive Committee has authority as granted by the Board of Directors.
4. The following business must first be submitted for approval by The Executive Committee.
 - 4.1 matters related to Company policy.
 - 4.2 matters that if implemented would cause significant changes to The Company's activities.
 - 4.3 matters that by law have to be performed by the Board of Directors.
 - 4.4 matters that have to be performed according to Company rules.
 - 4.5 matters that The Executive Committee sees fit to submit for approval on a case-by-case basis or following the principles set out by the Board of Directors.
5. The Executive Committee has the authority and duty to carry out specified activities for the administration of The Company's success and to meet Company targets, which include.
 - 5.1. To produce and verify strategic objectives, financial plans and important Company policy, and presentation for Board of Director's approval.
 - 5.2. Scrutiny of the annual business plan, the investment budget, targets and new initiatives that important for target achievement, and presentation for Board of Director's approval.
 - 5.3. Scrutiny of projects that require capital expenditure beyond the amount allocated by the Board of Directors, and presentation for Board of Director's approval.

- 5.4. Consideration and approval of various matters within their designated authority or as granted by the Board of Directors.
 - 5.5. Review of the authority to act in matters as specified in the table of authority, and presentation for Board of Director's approval.
 - 5.6. Management and balancing of short-term and long-term objectives.
 - 5.7. Development and oversight of human resources in line with human resources strategy approved by the Nomination and Remuneration Committee.
 - 5.8. Following up and reporting to the Board of Directors on Company operations and progress on meeting The Company's objectives.
 - 6. Consideration of annual budget allocation for presentation to the Board of Directors for consideration and approval, approving changes and additions to the annual budget without a Board of Directors meeting in urgent circumstances, and presenting these actions at the next Board meeting.
 - 7. Authorizing the purchase of raw materials, goods or services for the purpose of making sales or providing services to customers at an amount of no more than 300 million baht per purchase
 - 8. Authorization of investment in fixed assets such as land, buildings or structures at an amount of no more than 100 million baht per purchase.
 - 9. Authorization of important investment expenditure that was included in the annual budget for which authority was delegated by the Board of Directors or that has already been approved in principle by the Board.
 - 10. Allocation of incentives and rewards that have already been authorized by the Board of Directors for staff and employees of The Company or other individuals who have done work for The Company.
- Appointing or assigning a particular individual or group to act in a particular instance in place of The Executive Committee as is seen fit and The Executive Committee may cancel, withdraw, change or revise this authority.

7.4 Executive Information

7.4.1 Executives

As of 31 December 2020, The Company has 6 Executives, namely are as follows;

	Name	Position
1	Mr.Sompong Kangsawiwat	Chief Executive Officer
2	Mr.Opas Tiyawattanaroj	Managing Director Telecommunication Group
3	Mr.Kittirat Mekmanee	Managing Director Business & Product Group
4	Ms.Panida Sawatwannarat	Managing Director Financial & Control Group
5	Ms.Nongnuch Temeesrisuk	Managing Director Management & Corporate Governance Group
6	Mr.Narachet Chattratitiphan	Managing Director Technology Group

Mr.Narachet Chattratitiphan Retired on July 1, 2021

Scope of Authority and Responsibilities of President

1. Designated as authorized person in administering The Company's business to be in line with the objectives, articles of association, policies, rules, regulations, instructions and resolutions of the Board of Directors Meeting and/or resolutions of the Shareholders Meeting.
2. Authority to command, plan, control and supervise The Company's operations in compliance with the policy, strategic plan and estimated budget as specified by the Board of Directors and/or the Executives Committee.
3. Arrange annual strategic plan and estimated budget for each division in order to attain approval from the Board of Directors; and also control and monitor on each unit's expenses as authorized by the Board of Directors.
4. Authority to give approval on any juristic act involving The Company's general transactions; such as sales and purchase, procurement and supply, expense for general transactions, investments, acquisition or disposal of equipment, properties and service; for the benefits of The Company within the allocated budget.
5. Authorizing the purchase of raw materials, goods or services for the purpose of making sales or providing services to customers at an amount of no more than 200 million baht per purchase
6. Authorization of investment in fixed assets such as land, buildings or structures at an amount of no more than 20 million baht per purchase.
7. Be authorized to order and determine internal regulations, rules, notices and records in relation to business operation of The Company to be in accordance with policies of The Company and for The Company's interest, including maintaining good order within the organization
8. Authority to employ, appoint, assign, dismiss, discharge, terminate, specify the wage/monthly salary/bonus and other welfares, as well as increase the salary for employees whose positions are lower than the Chief Executive Officer.
9. Authority to act and appear to outsiders on behalf of The Company in any necessary matter concerning The Company's general transactions and benefits.
10. Consider and execute on the submission of any company-related issue to the Board of Directors. Such matters must have an approval from the Board of Director, and should be informed to other relevant organizations including the Securities and Exchange Commission, the Stock Exchange of Thailand, and the Ministry of Commerce.
11. Execute on any tasks assigned by the Board of Directors and/or the Executives Committee; and also appoint a substitute to do any or all of the aforementioned acts and subject matters in order to help facilitate The Company's operation as a whole

However, CEO delegates other persons to perform specific duties on his behalf. Such sub-authorization and/or delegation shall be within the scope of authorization or delegation in accordance with the power of attorney granted and/or shall be in accordance with the internal regulations, rules or instructions given by the Board of Directors and/or The Company. The authorization

of duties and responsibilities of the CEO shall not constitute an authorization or sub authorization which may cause the CEO or his authorized person(s) to be able to approve any transaction in which they, or any person who may have a conflict of interest (as defined in the notification of the Securities and Exchange Commission or the notification of the Capital Markets Supervisory Board), may have an interest or may gain benefit in any manner, or in which they may have any other conflict of interest with The Company or its subsidiaries, unless the approvals of such transactions are consistent with the policies and criteria approved by the Board of Directors Meeting.

7.4.2 Remuneration of the directors

The Nomination, Compensation and Corporate Governance Committee have guidelines for considering the remuneration of the Board of Directors. Sub-committee of each committee, which considering The Company's operating results and performance Including the responsibilities of the directors compare from the same industry and business expansion. The Annual General Meeting of Shareholders 2021, held on 27 April 2021 passed its resolution to determine remuneration of the directors of year 2021. The directors consist of the Board of Directors, Audit Committee, Risk Management Committee, Nomination, Remuneration and Corporate Governance Committee which included but not limited to salary, bonus, attendance fee, extra compensation, and other compensation not exceeding value of 4 million baht. Details are as follows:

1. The Board of Directors

Monthly remuneration

- Chairman of the Boards 70,000 Baht per Month
- The Board of Director 20,000 Baht per Meeting

Meeting allowance

- The Board of Director 30,000 Baht per Meeting

2. Audit Committee

Monthly remuneration

- Chairman of Audit Committee 10,000 Baht per Month

Meeting allowance

- Audit Committee 10,000 Baht per Meeting

3. Risk Management Committee

Meeting allowance

- Risk Management Committee 10,000 Baht per Meeting

4. Nomination and Remuneration Committee

Meeting allowance

- Nomination and Remuneration Committee 10,000 Baht per Meeting

5. Strategic Committee

Meeting allowance

- Strategic Committee 5,000 Baht per Meeting

*Item 3 – 4 The Executives Directors are exempted from receiving attendance fee.

6. The remaining is reserved for bonus, extra compensation and other compensation to the Board of Directors. The Board of Directors will then allocate the remaining amount.

In 2021, the individual remuneration of Directors was as follows:

Name of Director	Board of Director		Audit Committee		Attendance Fee			Total
	Attendance Fee (Baht)	Monthly Remuneration	Attendance Fee (Baht)	Monthly Remuneration	NRC Committee	Risk Manament Committee	Strategic's Committee	
Mr.Sompong Kangsawiwat	120,000.00	-	-	-	-	-	30,000.00	150,000.00
Assoc.Prof.Pitipat Chataccaraphat (Ph.D.)	120,000.00	240,000.00	40,000.00	120,000.00	10,000.00	-	30,000.00	560,000.00
Mr.Chattaphum Khantiviriya	120,000.00	240,000.00	40,000.00	-	10,000.00	10,000.00	30,000.00	450,000.00
Assoc.Prof.Prapart Praisuwan	120,000.00	240,000.00	40,000.00	-	-	-	30,000.00	430,000.00
Mr.Vuthichai Duangratana (Ph.D.)	120,000.00	240,000.00	40,000.00	-	-	-	30,000.00	430,000.00
Mr.Opas Tiyawattanaraj	120,000.00	-	-	-	-	-	30,000.00	150,000.00
Mr.Kittirat Mekmanee	120,000.00	-	-	-	-	-	30,000.00	150,000.00
Ms.Panida Sawatwannarat	120,000.00	-	-	-	-	-	30,000.00	150,000.00
Ms.Nongnuch Temeesrisuk	120,000.00	-	-	-	-	-	30,000.00	150,000.00
	<u>1,080,000.00</u>	<u>960,000.00</u>	<u>160,000.00</u>	<u>120,000.00</u>	<u>20,000.00</u>	<u>10,000.00</u>	<u>270,000.00</u>	<u>2,620,000.00</u>

Mr. Sompong Kangsawiwat without requesting a monthly remuneration as the Chairman

Other Remuneration than monetary or other benefits

-None-

Remuneration of Executives

The Nomination, Remuneration and Corporate Governance Committee of The Company uses measuring performance of The Executive in the form of performance indicators. (Key Performance Indicators: KPI). This is the way to measure the performance of each department. The president uses characteristics of KPI overview of The Company to determine the individual's remuneration by using various indicators. Such as Business performance of The Company, Evaluation individually and also compare the remuneration in the same position and industry groups Etc. The short term of benefit is salary adjustment and Bonus payment and other welfare. The long term of benefit is the Provident Fund.

For the President, the Nomination, Remuneration and Corporate Governance Committee considers the remuneration of the President and present to the Boards of Directors for approval of appropriate compensation by using characteristics of KPI overview of The Company. It also adheres to global management approach with a qualitative measurement (Balanced Scorecard) with four main aspects, including the financial performance of The Company's business, customer, internal processes and learning and development. It also was applied the concept to include sustainable use quick view of financial base. Lead the management methods to spend wisely cause worth promoting, learning to achieve better internal process and as the result to creating a comprehensive satisfaction of all stakeholders. The short term of benefit is salary adjustment and Bonus payment and other welfare. The long term of benefit is the Provident Fund. The remuneration for executives and the President for the year 2020 and 2021 are as follows;

Remuneration for Executives

Remuneration	2021		2022	
	Persons	Baht	Persons	Baht
Executives	6	28,997,030.00	6	29,356,965.00

Other Remuneration of Executives

Provident Fund

The Company has established a provident fund to the 6 executives. The Company contributed to the fund monthly at the rate of 5% of basic salary. In 2020 and 2021 provident fund are as follows;

provident fund	2020		2021	
	Persons	Baht	Persons	Baht
Executives	6	1,763,264.00	6	1,734,000.00

7.5 Employee

Total employees of The Company (exclude the executives) as of 31 December 2021 were 294 people. Details of employees in each business line are as followings;

No	Group	Employees
1	Sale and Telecommunication	40
2	Sale and Marketing	169
3	Business Information and Technology	9
4	General Management	76
	Total	294

In 2019 - 2021, the Company had no significant change in the number of employees and no significant labor disputes.

The ratio of employees by gender, age is as follows :

Classified by gender	Number of employees	Ratio by gender
Male	129	43.88%
Female	165	56.12%
Total	294	100.00%

Classified by age	Number of employees	Ratio by age %
Less than 30 years	24	8.16%
30 – 50 years	225	76.53%
More than 50 years	45	15.31%
Total	294	100.00%

Personnel of Subsidiaries

Subsidiaries	Employees
C.S.S.Energy Co.,Ltd.	-
Neonworx Communications Co.,Ltd.	55
Total	55

Remark: C.S.S.Energy Co.,Ltd. has no employee, because employees have been transferred to The Company then all since April 2016. In addition, there is no labor dispute in the last 3 years of Subsidiaries

Remuneration of the employees (exclude executives)

In year 2021 and 2022, the remuneration in cash has been paid to employees in form of salary, wage, over time, bonus, living expense, and other welfares. Details are as follows;

Remuneration	2020	2021
	Amount (Baht)	Amount (Baht)
Employees	147,631,553.41	178,972,484.36

Other remuneration of the employees (exclude executives)

The Company has established a provident fund to the employees. In 2020 and 2022 provident fund are as follows

provident fund	2020	2021
	Amount (Baht)	Amount (Baht)
Employees	4,243,937.00	4,144,433.00

In 2021, the ratio of employees joining the provident fund is 270 people out of a total of 294 employees, representing 92% of the total number of employees.

Remuneration of the employees from subsidiaries

provident fund	2020	2021
	Amount (Baht)	Amount (Baht)
Employees	33,508,328.23	32,842,027.32

Rules on Consideration of Remuneration for employees of The Company

The Company has considered establishing format and rule for payment of remuneration and welfare for employees which is consistent with The Company's operating results in both short term and long term as follows.

Consideration of Short Term Remuneration:

- The Company has established the Salary structure and considered from education, knowledge and experience by comparing with other companies in the same industrial sector
- The Company has considered of salary adjustment and bonus payment once a year which is consistent with The Company's operating results. It is based on the ability to make a profit each year by Key Performance Indicators (KPI) of The Company to be used for consideration and comparing with other companies in the same industrial sector

The Company providing welfare services to the employees; Accident Insurance, Health Insurance and arrange annual health check once a year for employee healthy. Others welfare are Allowance for cremation and employee's seminar etc

Consideration of Long Term Remuneration:

- Company has a criteria for considering adjustment of staff level on a regular basis, once a year, using KPI (Key Performance Indicators) criteria to consider of performance and ability of employees by adhering to an international management approach with quality metrics Balanced Scorecard consists of four main factors: finance, business performance of company, customer, internal process and learning development determined appropriate compensation and incentives.
- The Company has established the Provident Fund for employees to encourage money saving by the employees. The fund saving proportion was increased so that the employee may choose the rate of 3%-15% with Company's contribution at the rate not exceeding 5% of base salary, employment period and willingness of the employee, which shall be paid back to the employee upon retirement or job quitting.

Welfare

For improving the quality of working life, company not only provides benefits as required by law, also offers various welfare benefits such as ward, group insurance, annual health check, welfare grants the employee's death and the deaths of his parents in order to build morale and strengthen confidence in working with The Company and highest benefit to employee.

Human Resource Development Policy

In the past 2021, the Covid-19 epidemic remains a major risk that society must increase caution for a period of time. This makes managing the company's human resources even more challenging as well. and for effective management Therefore, operations are divided according to the strategic framework in 3 areas as follows:

1) HRM: Human Resource Management

Focus on compensation management and fair employment. Including providing welfare suitable for changing times and lifestyles

- **Employees and labor** The CSS company reviews its policy annually. This year, there have been adjustments for personnel management guidelines and adding preventive measures to cope with the risk according to the situation. Currently the company All employees are 100% Thai nationality without any problems with racism. No child labor was employed. Thus making it easy to manage, based on human rights as a priority. Which consists of fair employment It includes employment according to the type of work that is suitable for men, women and people with disabilities. Including fair compensation based on the principle of value analysis of the work and referring to comparable data in the same industry. There is training and potential development for employees. Take care of safety, health and environment which leads to the development of good relationship with the organization.
- **Employment** In the midst of the epidemic crisis thus the company. There has been a special review of the employment policy to be suitable for the situation although the overall economic impact while this has inevitably affected the human resource cost management of the organization. But the company still manages it under a fair employment policy and provide opportunities for various people without being constrained with international performance assessment tools and strictly abide by the labor law, along with adding policies for adaptation to survive throughout the organization. By focusing on compensation plans both in the short and long term.

Consideration of short-term returns

- Determining an appropriate salary structure for employees based on qualifications, knowledge, abilities and work experience in comparison with companies in the same industry.
- Adjustment of the annual wage and bonus rate once a year in accordance with the Company's performance based on the profitability of each year. and has criteria to measure the performance of all employees according to international principles (KPI) to be appropriate
- Caring for and providing welfare in various fields for employees appropriately according to Thai labor standards, such as accident insurance, life insurance, health insurance, as well as health and safety management by providing an annual health check-up once a year, as well as providing other benefits. any additional necessary such as funeral money granting special leave for dharma practice without gender discrimination Seminar training, shuttle buses, uniforms, etc.

Consideration of long-term returns

- Determine the criteria for considering employee upgrade regularly once a year by using the Balance Scorecard criteria by taking into account 4 important factors which are financial , customer , internal process and learning and growth used to consider the performance and measure employees' ability to determine appropriate compensation and incentives.

- The Company provides a provident fund for its employees. To support and motivate employees to have good saving discipline The company gives employees the opportunity to set a savings rate from 3% - 15%. For the company will contribute to the fund. By considering the length of service in the company according to the rules and regulations, but not more than 5% of the base salary according to the age of service and the employee's voluntary. Which will be paid back to the employee upon retirement or when leaving work Currently, there are 270 employees who voluntarily join the provident fund, representing 92% of the total workforce.

Employment of people with disabilities The company considers equal opportunity. without discrimination, covering people with disabilities and disadvantaged groups At present, the company operates in accordance with Act on Promotion and Development of the Quality of Life of Persons with Disabilities and having to supervise the employment of such disabled employees, a total of 3 people, but due to the limitations of the nature of work, the company has employed 1 person with disabilities and contributed to the Fund for promotion and development of the quality of life of the disabled. 2 people on time as scheduled every year.

Labor Relations Management Employees are an important factor to the growth of the organization leading to sustainability. The Company realizes the promotion and morale of all employees to feel stability and safety in their operations. Including being able to live together happily, which will lead to the improvement of the quality of family life of employees as well

In the year 2021, the company was able to carry out its plans as targeted and smoothly aligned with the core values and strategies of the organization.

1. Enhance communication The company attaches importance to communication in all channels.to cover all groups of stakeholders and pay attention to feedback that is useful for evaluation and analysis for organizational improvement and development
 - 1) Increase communication channels to suit the times and keep up with the current situation. by increasing the rate of online communication channels.
 - 2) The application of the technology can reduce the response time of the data resulting in a faster data collection process for analysis and processing. It brings benefits to the management of employee relations that are more targeted and faster.
 - 3) Internal event planning both formal and informal with links in line with company strategy which is used as a mechanism for continual communication leading to real tangible results as well as being able to emphasize important information on a regular basis leading to more rapid goals
 - 4) Developing the ability of communication channels outside the organization (Internet System), improving the website to support and respond to the needs of customers quickly. In addition, employees can go to study information for their own development. including the Company's stakeholders will be able to access the information they need accurately and completely.In addition, the company also gives importance to the appointment of welfare
2. The company also gives importance to the appointment of welfare working group under the law. To give freedom to employees In expressing opinions or providing useful suggestions to the company Through the welfare working group to be an intermediary in collecting information and presenting to the management team for acknowledgment. This will lead to further revision and development. The development of administrative tools and the appointment of welfare working groups. This is the success factor of effective labor relations management resulting in the score of the engagement survey between employees and the company in 2020. The score level increased to 84.57% .

2) HRD: Human Resource Development

Focus on promoting learning potential Increase operational skills ,Which affects the progress of employees in the future Including building good relationships and supporting personnel with stakeholders who are capable of social responsibility for sustainable growth.

- Capacity development for advancement Indicators of successful key developments for this y Is a key factor in keeping employees growing with the company. Therefore, guidelines for human resource development have been established in accordance with the strategy in each year. Taking into account the participation of all executives, they are presenting opinions on the development of the potential of every team for the best benefit of the employees and the organization. The Human Resources Department will design and explore training needs. As well as analyze and make human resource development plans Submit annually for approval to the Executive Committee. ear have shown that:

2021 was a year that faced significant operational limitations. Both the situation of the risk COVID-19 epidemic And must strictly comply with the laws / regulations from the government, Causing the personnel development department Inability to operate smoothly The most reflected problem factor is that the training of employees is unable to achieve their goals. Due to the government's practice requesting cooperation in refraining from using the meeting room Performance of work from home, etc. Thus affecting the number of training hours, resulting in a decrease in the score level. It can be shown from the results of success indicators as follows;

- Measurement of success according to the annual training plan is 107.00%
- Measurement of employees satisfaction in training was 82.99%
- Average number of training hours / person / year is 4.09%

- Internal programme According to the company's main policy Still focusing on supporting the training of knowledge and skills in accordance with the core competence of the organization is important. with the expectation that it will help create competitive potential and support the growth of the company in the future For courses that the company must pay attention and practice continually, even when faced with various limitations, namely basic training for new employees Because it is important information to start working, including ethics and corporate code of conduct. Compliance with Company Articles of Association and Anti-Corruption Practices in Various Forms of Hygiene and safety as well as appropriate behavior in accordance with the culture of the organization, etc..

In addition, we place a strong emphasis on training with partners on detailed product information. This is considered to be the benefit of having a sincere responsibility to consumers. Although in 2021 the company cannot meet and discuss with partners as before, the company has changed the form of training or meetings to online communication, such as using more teleconferencing software (Zoom System). Therefore, the company still believes that the company's personnel are still ready to serve customers effectively.

- External programme The company's main policy supports external training in specialized courses according to the needs of various departments, as well as a focus on promoting knowledge under various laws and regulations to support the goals. Management with excellent governance Especially as a good member of being a listed company on the Stock Exchange of Thailand. During the crisis of this COVID-19 epidemic, although there was a limitation in allowing employees to attend outside training, the company has adjusted the form of knowledge development and perception of information to keep up with the situation. By the secretary department Responsible for providing information useful for the development of the organization in various fields. The knowledge and news are screened and sent to the executives. Including relevant persons for use as information for application , Editing, including regular work development such as the preparation of internal news documents (CSS Executive News) that will collect important news from reliable news sources for study such as news from the Stock Exchange of Thailand (SET) Securities and Exchange Commission (SEC), etc

3) SQM: Safety & Quality Management

The company has an important goal towards the creation of a good quality of life. There is safety for employees. By promoting safety in the operating system under international standards. In the midst of the COVID-19 epidemic in 2020, the company has to work harder in the form of emergency policies. Or prescribing new measures to protect employees and related persons from the risk of infection from the epidemic

- **Safety Education** The company has a policy to educate about job management with quality and safety which is set out as an annual human resource development plan including bringing details that are useful for learning such as Safety Policy, Rules, Regulations and Safety Guide And safety in various workspaces has been compiled on the company's website for ease of use in the future.

In addition, quality and safety management To prevent accidents from work, divided into 4 areas as follows:

System

- The company has increased the intensity of its quality system implementation (ISO 9001 : 2015) to ensure that the organization's quality and safety systems are truly effective.
- The company supports and promotes a safety committee. Occupational Health and Work Environment Complete at all levels, including Administrative Officers, Administrative Officers, Supervisors, Technical Officers, and Professional Officers. This is in accordance with the law. Including management, making new work plans every year and holding meetings every month to closely monitor and report on work results.

Equipment tools

- The company has prepared a written manual on the safety of using equipment and bring it to the internal website for employees to study and be aware of the dangers that may occur from operations such as safety in lifting heavy objects. Crane safety forklift driving safety including personal protective equipment when in hazardous areas.
- The company prepares a plan to check the equipment systematically before use. in order for the staff to perform related, including subcontractors Gain operational safety.

Company employees

- The company requires employees who use tools and equipment to undergo training in accordance with the development plan and courses that are necessary according to the situation. and have a certificate from a reliable institute.
- More than 40 percent of employees have passed basic firefighting training, which is required by law.
- Our staff Received annual fire evacuation drills

Organization

- The company provides an inspection of the working environment. both in terms of the intensity of light in the working area heat level and dust content measurement Including the concentration of chemicals in the working environment in order to eliminate the cause of insecurity that will occur to employees and related people.
- Arrange for public relations of news for all employees to be aware of the current situation in all communication channels such as intranet systems, public relations boards and through various meeting systems, both within and outside the organization.
- The company arranges the work area to be suitable and convenient to work. to reduce accidents from using the space.

Company provides knowledge and understanding about safety correctly to company's Sub contract From training courses above, in the year 2021 The Company has 2 times accidents from work through stop working or death in any way.

Environmental care and efficient use of resources

The company focuses and encourages employees to use resources economically and efficiently. to maximize benefits, taking into account the environmental impact. Therefore, the following policies have been established for employees to adhere to;

- The Company requires environmental stewardship and efficient use of resources as part of its operations and in accordance with legal and other requirements related.
- The company considers taking care of the environment and the efficient use of resources is the responsibility of the management and all staff.
- The Company encourages and educates employees on environmental conservation and efficient use of resources. to cultivate awareness among employees at all levels Realize and focus on environmental protection and efficient use of resources. It requires all new employees to receive environmental training and efficient use of resources.

Educating and training employees on environmental issues

In addition to training and educating employees on the environment and the efficient use of resources, it is a course to train new employees. By focusing on changing work processes to take into account the reduction of environmental pollution. In 2021, the company also organized training for employees as follows;

Internal training Courses

- Safe Driving/Car Maintenance/Energy Saving
- 5S for Sustainable Quality and Safety
- Green Office
- Safety courses to reduce risks

7.6 Other important information

7.6.1 Persons who are directly responsible for accounting supervision and company secretary and internal auditors

1. Person assigned the highest responsibility in accounting and finance

Miss. Panida Sawatwannarat Chief Financial Officer

- Age 58 years old
- Education Master of Business Administration, Department of Management, Kasetsart University
- Training
 - Director Accreditation Program Class 37/2005
 - Director Certification Program Class 60/2005
 - Advanced Certificate Course in Public Economics Management for Executives No.12 of KPI.
 - Technical for preparation and submission of B1 As the announcement of the NACC 2013 from FAP.
 - High-level finance and public finance management Class 3/2016.
 - Strategic CFO in Capital Markets 2017,
 - Impact Course of New Financial Reporting Standards Regarding contracts with customers and leases affecting the financial reporting of listed companies
 - Higher Diploma Program in Politics and Governance in Democratic Systems for Executives, Class 23
 - TLCA CFO CPD Class 6/2021 "ESG Integration in Sustainable Investing"
- Percent of Company's shares 3,341,688 Shares 0.28%
- Family relationship between directors and executives -None-

- **Experiences**

Communication & System Solution Public Limited Company

2005 – Now	Director
2011 - Now	Executive Director
2012 – Now	Member of the Nomination, Remuneration and Corporate Governance Committee
2012 - Now	Member of Risk Management Committee
2013- Now	Managing Director Financial & Control Group
2018 - Now	Member of the Strategy Committee

Other

1997 – Now	Director	C.S.S.Energy Co.,Ltd.
2015 - Now	Director	Neon Worx Communication (Thailand) Co.,Ltd

2. Persons assigned to be directly responsible for overseeing bookkeeping

Mrs. Nutcharee Pukeaw Assistant Managing Director of Accounting

- Age 51 years old
- Education Master's degree, Faculty of Business Administration Ramkhamhaeng University.
Bachelor's degree, Faculty of Business Administration, Accounting, Ramkhamhaeng University
- Training
 - Professional Controller Certification Program Class 1/2013
 - Advanced Certificate Course in Public Economics Management for Executives No.12 of KPI.
 - Financial Model 1-Fundamentals of Finance Class 1/2015
 - (Details of the training appear in Attachment 1)
- Percent of Company's shares 227,421 Shares 0.019%
- Family relationship between directors and executives -None-
- Experiences

Communication & System Solution Public Limited Company

2005 – 2017	Account Manager
Now	Assistant Managing Director of Accounting

3. Corporate Secretary

The Board of Directors approved Ms.Nongnuch Temeesrisuk as a Corporate Secretary since 15 February 2013. The Profile is as follow;

Miss Nongnuch Temeesrisuk

- Director, Managing Director Management & Corporate Governance Group and Corporate Secretary
- Age 56 years old
- Educations / Training
 - Bachelor of Accounting of Ramkhamhaeng University
 - Certificated of Institute of Directors
 - Director Accreditation Program Class 37/2005, IOD
 - Director Certification Program Class 60/2005, IOD
 - Company Secretary Program Class 27/2008

➤ Certificated of "basic and rules related to listed companies" class 6/2011 of Thai Listed Companies Association

- Experiences

Communication & System Solution PLC.

- 2013 - Now : Managing Director Management & Corporate Governance Group, Corporate Secretary
- 2011 - Now : Executive Director
- 2005 - Now : Director

Other

- 1997 – Now : Director, C.S.S. Energy Co.,Ltd
- 2015 – Now : Director, Neonworx Communications (Thailand) Co.,Ltd

Scope of Authority and Responsibilities of the Corporate Secretary

1. Preparing and storing important documents
 - a) The registration of The Company's directors
 - b) The invitation letter and minutes of the Board of Directors Meeting
 - c) The invitation letter and minutes of the Shareholders Meeting
2. Reports of conflicts of interest filed by directors and executives.
3. Executing additional duties about governance as assigned by the Board of Directors.

4. Details of internal auditors

The internal audit unit works directly with the Audit Committee. The committee assigned Miss. Panida Sawatwannarat Representing the internal audit unit act as a coordinator with an independent internal control assessment company that the company has contracted to and report on the performance, including recommendations to the Audit Committee for acknowledgment and to present to the Board of Directors for remedial action according to the recommendations of the independent internal control system appraiser.

In this regard, in 2021, the Audit Committee has considered and appointed Riskless Solution Company Limited ("Internal Auditor"). which is an independent company from outside, responsible for auditing and monitoring the internal control system of the company. Riskless Solutions Company has assigned Mr.Sornron Thongprasert to be primarily responsible for performing the duties of the Company's internal auditor. The qualifications and details of the internal auditors appear in Attachment 3.

7.6.2 Investor Relations and Contact Information

Investor Relations	Mrs.Prapussorn Lakwuthiwong
Contact Information	Tel : 02-018-1111 #5501
	Email : prapussorn@cssthailand.com

7.6.3 The Audit Fee

The Company's financial auditor is Mr.Preecha Arunnara, certified public accountant registration no. 5800 of EY Office Limited was approved from the AGM 2021. Who is independent and have no relationship or any other types of stake or interest with The Company, its executives, major shareholders or persons related to those mentioned. Total of The Audit Fees in the year 2021 is 2,905,000 baht. Details are as follows;

	CSS	Energy	NWC
Yearly Audit fee (Baht)	1,410,000.00	185,000.00	440,000.00
Quarterly Reviewed Financial Statements (3quarters)	540,000.00	90,000.00	240,000.00
Total	1,950,000.00	275,000.00	680,000.00

In the year 2021, there are no other service fees paid (Non-audit fees) to the auditors other than the items above.

8. Report on key performance in corporate governance

Report of the Nomination and Remuneration and Corporate Governance Committee

Nomination and Remuneration and Corporate Governance Committee have been assigned to discharge the duties and responsibilities regarding to the charter regulated by Board of Directors. The important duties and responsibilities include rules and policies regulation; committee recruitment; selecting personnel conformed to legal qualification, principle, regulation and related practice in order to present to committee for appointing members of board; regulating rule and policies in compensation to present in the meeting of Board of Directors; consider, review, present and follow up in the purpose of producing all kinds of work system to be consistent with ethics and good regulation related to policies and guidelines that have been determined; reporting the achievement of nomination committee in present in the meeting of Board of Directors; represent to shareholder in annual report and annual data entry form. In 2021, Nomination and Remuneration and Corporate Governance Committee consist of 3 committee members.

- | | |
|---|--|
| 1. Assoc.Prof.Pitipat Chataccaraphat (Ph.D) | Chairman of NRCC. and Independent Director |
| 2. Mr.Chattaphum Khantiviriya | Member of NRCC. and Independent Director |
| 3. Ms.Panida Sawatwannarat | Member of NRCC. |

The nomination and compensation committee and corporate governance There are 1 meetings in the year 2021 , there is a meeting of one time which was attended by all of the three committee members. Which accounts for 100% of the attendance. The considering issues could be summarized according to the following content:

1. Recruitment and consideration of compensation

1.1. Committee Nominating

Nomination committee has considered and selected the personnel from several occupations who have appropriate qualification regarding to associated law and regulation, such as committee qualification law, public company law and the rules of securities and exchange commission, also including company regulations and good corporate governance principles of the firm. Furthermore, the lists and attributes of the proper person who will occupy committee position were considered to be consistent with the strategies of business administration and committee structure which have several aspects of knowledge: skill, profession, specialization, gender, etc. and also should be also able to effectively dedicate time to the company. In addition, the board also provide opportunity for minor shareholder to nominate a person in the selection to be board of directors. The nominating was conducted on October 2019 – January 2020. Nomination committee has proceeded regarding to following steps:

1.1.1 Selecting committee to replace the terminated committee. The board has implemented according to nominating process and presented the opinion toward the committee to promote the appropriate person before representing at the annual general meeting of shareholders in order to become the company's director.

1.2. The consideration of the compensation for the committee

Nomination committee has cogitated to provide the compensation by applying the regulation of compensation considering, scrutinizing the propriety of the recompense conforming to the duties, assigned responsibilities, compared to the similar type and size of business, also consider to turnover, performance, business environment and overall economic condition

1.3. The consideration of performance measurement criteria of the committee

Nomination committee has regulated to arrange performance evaluation system for the Board of Directors both subcommittee and individual once a year in order for the board to review performance, issues and various obstacles on implementing the duties during the passing year; in the purpose of solving problem together, bring about to

improve, develop and increase the effectiveness of business administration by conducting the principles and topics of evaluation that consistent with stock exchange's which have been adapted to be appropriate with the company

2. The Corporate Governance

2.1 Monitoring and supervising to occur ethical compliance and business ethics

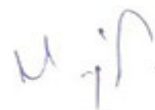
Nomination committee has monitored and look after employees, managers and committee to follow the ethics guide and business ethics in order to develop organizational culture. The staffs, managers and committee were communicated to acknowledge by the orientation of the new employees and also pass on to website of the company

3. Award of the year From the assessment of corporate governance as follows;

- Received a 5-star award () from the Thai Listed Companies Corporate Governance Survey Project for the year 2021 with a 90% rating from the Excellent group and the Top Quartile award in the market segment that has Securities worth 3,000-9,999 million baht
- Received a 5-star award () in assessing the quality of the annual general meeting of listed companies for the year 2021 with a score of 100%, which is in the excellent group.

4. Guidelines for corporate governance development in 2022

- Follow up, review and improve the principles of corporate governance to be in accordance with the good corporate governance manual.
- Communicate the good corporate governance within the organization to be understood by the directors executives and employees at all levels and to be effective in the organization culture.



(Assoc.Prof.Pitiphat Chataccarapat)

Chairman of the NRCC

Report of the Risk Management Committee

The risk management committee has extremely concerned about preparation to cope with the ambivalent circumstances which can affect firm performance. Fortunately, the risk management committee has effective means to manage and mitigate uncertainty. Moreover, there is strictly internal control on behalf of the risk management committee in order to certify stakeholders that the company and subsidiaries have appropriate effective means in order to achieve the firm's purpose.

The risk management committee includes with 1 independent director and 4 executive directors. According to the passing year (2021), There was 1 meeting in which the Risk Management Committee attended all of them. Or 100% of meetings in 2021 for the purpose of considering essential aspects as follows;

1. Comprehensive risk According to the company's operating strategy Consists of the company's business risk Financial risk The risk of anti-corruption and other risks
2. Considering comprehensive risks and strategic plans that align with the corporate's goal. The company operation included with operation risk, financial risk, anti-corruption risk and etc.
3. Rechecking and inspection of risk management plan whether the firm can operate consistency with its risk management strategic roadmap in order to effective minimize risk management standard. Therefore, the internal auditor will be responsible to inspect and ensure compliance with established internal control procedures of the company and subsidiaries.
4. Expanding risk management scope to subsidiaries, in the purpose of inspiring investors and stakeholders about operating business under global risk management approaches, can minimize uncertainty.
5. Ensuring that the subsidiaries comply with the risk management plan To build the confidence of investors and stakeholders of all groups.
6. Preparing an annual evaluation of the risk management committee, in order to recheck the firm performance and discourage during the passing year, was the procedure for solving problem, minimizing risk and improving the company's performance that will lead the firm to reach its achievement simply.

The risk management committee strongly believe that our company and subsidiaries have effective internal control which can help the firm to mitigate risk management in order to be an excellent corporate governance.



(Mr.Sompong Kangsawiwat)
Chairman of Risk Management Committee

Report of The Strategic Committee

Strategy Committee has performed duties and responsibilities as determined by the Board of Directors with important duties and responsibilities such as Establish policies and principles for investment in subsidiaries, associated companies and investment in various projects and report the performance of the Strategic Committee to the Board of Directors meeting along with reports to shareholders in the annual report and From 56-1 One Report 2021, the Strategic Committee held 6 meetings, to review business operations.

- Formulate strategies, plans and operational frameworks for investment of company for executives and employees at all levels to implement
- Supervise, monitor and evaluate performance of investment accordance with business operations as assigned by Board of Directors.
- Analyzing risks that may affect or possibility and assess impact including determining measures to prevent and correct with the objectives as assigned by Board of Directors.
- Prepare a self-assessment of the strategic committee once a year to review the work on various problems and obstacles. In the performance of duties of the Strategic Committee during the past year to solve problems together and contribute to the improvement and development of the operations of the strategic committee to meet the goals. As assigned by the Board of Directors.

The Executive Committee has a commitment to perform with care. Honest and prudent that focuses on operational transparency The Executive Committee is ready to develop the business to the best of its ability. With the most benefit to the company



(Mr.Sompong Kangsawiwat)
Chairman of Strategic Committee

Report of The Executive Committee

In 2021, the situation of the COVID-19 epidemic Has created a wide impact on the economy Without being able to predict That it will expire and believe that every company Are facing a challenging problem Including having restrictions In the management of the impact that will inevitably be considered For this reason, the company needs to accelerate. Strength the organization in every area for Keep the business running continuously and ready to expand the business for sustainable growth, The Executive Committee has helped to review and consider important matters before presenting to the Board of Directors for decide.

In the year 2021, the Executive Committee 14 meetings to consider important matters of the company By reporting the results of the meeting and guidelines for solving problems and suggestions to the Board of Directors Which can be summarized as follows;

1. Define the Company's business plan and strategy Including determining the Company's strategy and operating plan Subsidiaries and Associates in each business line and the said plan has been passed to the executives and employees at all levels in the organization for acknowledgment to put into practice Consistent and in line with the goals that have been set.
2. monitor the operation results of the company and subsidiaries, of every business every month To be in accordance with the plan and goal Assigned by the Board of Directors.
3. Considering and approving the investment and participation in bidding for various projects. The Executive Committee has considered Approve the investment and / or the bidding In new projects as well as operating various projects. With consideration to the benefits of the company and all stakeholders equally Before presenting to the Board of Directors For further consideration and approval.
4. Analyzing potential risks and affecting the business , Risk control and determine the plan to be as assigned by the Board of Directors.
5. Determine the remuneration policy and salary structure of employees. Consider the remuneration and salary structure of the employees in accordance with the rules and regulations of the company.
6. Make management plans for the crisis caused by the COVID-19 epidemic, and communicate the negative impacts to all employees and strictly follow them. Including an audit and reporting process To ensure The company has an appropriate and efficient system for prevention and risk management.
7. Prepare the self-assessment of the Executive Committee 1 time per year for review the work, issues and obstacles in the performance of duties of the Executive Committee During the past year. In order to amend and improve and develop the operation of the Executive Committee to be in accordance with the objectives assigned by the Board of Directors.

The Executive Committee has a commitment to perform with care. Honest and prudent that focuses on operational transparency The Executive Committee is ready to develop the business to the best of its ability. With the most benefit to the company



(Mr.Sompong Kangsawiwat)

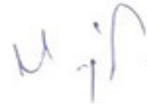
Chief Executive Officer

Report of the Audit Committee

The Audit Committee has been assigned to perform duties and responsibilities in accordance with the charter determined by the Board of Directors with significant duties and responsibilities, such as review for accurate and reliable financial reporting reviewing to have appropriate internal control and internal audit systems. Review of compliance with relevant laws consider and propose to appoint the auditor and determine the remuneration of the auditor of the company and subsidiaries. Which may propose to appoint the same auditor or can terminate the same auditor consider the acquisition and dispose of assets. Including connected transactions or transactions That may have conflicts of interest to be in accordance with the law. Reviewing and giving comments to plans and scope of internal auditing and operations of the internal auditor as well having the management set up a process for reporting clues or complaints of stakeholders appropriately. For the performance report of the Audit Committee for the year 2021 which can be summarized as follows;

1. Has reviewed the quarterly and annual financial statement and consolidated financial statement and its subsidiaries for 2021 which was of opinion that the Company correctly and adequately prepared and disclosed the essence information in the financial statement pursuant to the general accepted accounting standards.
2. Has defined the scope of the audit to cover the major risks and the adequacy of the internal control of the Company and its subsidiaries. However, it is advisable to Executives to fix bugs and improve the management system and provide more appropriate. In the year 2021, appointed of the Riskless Solutions Co.,Ltd (the internal Audit) which is independent company from the outside Responsible for checking and monitoring the internal control of the company. Riskless Solutions Co.,Ltd appointed Mr.Sornron Thongprasert is responsible for the major in the internal audit of the company. However, The Company has set the internal auditing sector of the company. The Committee assigned Miss Panida Sawatwannarat representing to the internal auditor by liaise with the firm performing which the Company hires to perform on internal Audit Unit reports its auditing work and give advice to the Audit Committee Directly to improve upon the recommendation of the independent evaluation other internal control system.
3. Reviewed and gave importance to the administration in accordance with the principles of good corporate governance in accordance with the relevant laws. By emphasizing the accuracy and completeness of information disclosed to all stakeholders equally and able to refer and examine it transparently.
4. Has reviewed the acquisition and disposition of assets transaction Including connected transactions or transactions that may have conflicts of interest The benefits occurred in the year 2021 and saw that the transaction had normal business prices and terms in general.
5. Has conducted self-assessment of the audit committee both group and individual in the year 2021 by jointly considering the evaluation results and specify ways to improve work efficiency and effectiveness.
6. Has considered nominated the auditors and Remuneration of auditors fee for the year 2021 by the auditor selected features and performance remained good throughout. The Audit Committee preferred to the Board of Directors to propose to the Shareholders' Meeting for consideration and approval to appoint Mr.Preecha Arunnaral,certified public accountant registration no. 5800; or Miss.Siraporn Ouaanunkun,certified public accountant registration no. 3844 or Mrs.Chonlaros Suntasvaraporn, certified public accountant registration no. 4523 of E.Y. Office Limited, to be the Company's financial auditor for year 2020, having the yearly audit fee of 2,905,000 THB which appropriated. Has qualified as an auditor Listed companies as required by the Securities and Exchange Commission And the stock market To be the auditor of the company and its subsidiaries By determining the auditor's remuneration for the year 2021 for the company in the amount of 1,950,000 baht, and the audit fee for the subsidiary in the amount of 955,000 baht, Which is equal to the year 2020 and considered appropriate compensation.
7. The audit committee can perform its duties according to the charter without being limited by scope. Able to request information without restriction It is also the person who approves the appointment, transfer, termination of the head of the internal audit department or other department responsible for the internal audit.

8. Audit Committee There are 4 meetings in the year 2021, with the Chairman of the Audit Committee and the members of the committee All four of them are independent directors. And attended every meeting Which accounts for 100% of the attendance in the year 2021 and reports the operation to the Board of Directors on a quarterly basis).The Audit Committee is independent in practice according to the assigned mission by meeting with the executives who were involved and discuss with the external auditor on a quarterly basis for information on financial statements and internal controls of accounting without experiencing issues or significant malfunction whatsoever.



(Assoc.Prof.Pitiphat Chataccarapat)

Chairman of the Audit Committee

9. Internal Control and Related Transactions

9.1 Internal Control

Board of Director Opinion about Internal Control

Company has concerned about internal control by assigning Audit Committee to monitor and evaluate regularly. Company has concentrated to adequate and appropriate of internal control system for operational efficiency consists of resource usage, property maintenance and deter instance of errors or fraud. Board of Directors Meeting No.1/2022, 27th February 2022, by 4 members of Audit Committee to attend the meeting, they express opinions about adequate and appropriate of internal control system refer to “evaluation of adequacy of internal control systems” of Security and Exchange Commission, Audit Committee report on internal control and make recommendation focusing on operational investigation regularly improve in efficiency and effectiveness, monitoring and reporting audit report to Board of Director regularly.

Audit Committee Meeting 4 times in 2021, Auditors and Internal Audit Office, Audit Committee has performed their duties with regard to law and scope of work assigned by Board of Director in accordance with Audit Committee Charter, e.g. Financial Report Review, Governance and Risk Management, appointment of an Auditor, supervisory Internal Auditing compiles with laws and regulations related to business operation.

Board of Director has opinions in internal control system as same as Audit Committee and be summarized as follows;

1. Organization and Environment

Company promotes and supports in corporate environment of internal control adequately, Board of Director in Corporate Governance consist of all company management set goals and clearly annual plan, measurable, business process plan development and strategic planning process ready to respond situation and business fast change in according to organization structure, there have chain of command, approval authority and clear functional group to build business operation flow indicating measurement to perform and follow up outcome comparing with goals. Company is focusing on recruiting process and standard in human resource management to suit for corporate culture and provides reasonable employee compensation. Company raises Code of Conduct and expects all employee to conduct themselves in honesty, ethical manner and responsibility to stakeholders. In Anti-Corruption, it is under information preparation process due to containing important information be consistent with internal control auditor's audit plan of 2021, as well as a review of the self-assessment data preparing for CAC certification application.

2. Risk Management

Company has concerned about its operating policy and risk management procedure by all management level and functional area to monitor in risk assessment, impact of risk, likelihood of occurrence and risk management planning with Risk Management Committee review throughout organization conform to both internal and external risks. Company has clearly defined its scope of risk lead to business operation integrate with risk management system and strategic management process in the organization.

3. Control Activity

Board of Director has appointed subcommittee into 4 groups; Audit Committee, Nomination, Remuneration and Corporate Governance Committee, Risk Management Committee and Management Committee, all of them work under scope of duties and responsibilities properly and identify protective measure to avoid conflict of interest (company vs private interest), require monitoring compliance with applicable laws and regulations as promoting management under proper and appropriate internal control system.

4. Information and Communication Technology

Company has concerned about both inside and outside Information and Communication Technology that assume as an important tool for business operation serve as performance indicator and financial report using for management decision making base on sufficient information, accurate, trustworthy and enhance in competitiveness. Company has provided communication to staff in relevant ICT laws and regulations concerning in each responsibility and accessible data clearly. Company has concerned about importance of information and communication technology improvement aiming to contribute to business activities and management efficiency.

5. Tracking System

Company has risk tracking system at management and operational level by Board of Director and Management use for evaluating the performance compare with target and provides clear direction and guidance. When found in unexpected, two subcommittees have monitored and reported to Board of Director as indicator system toward exceeding preset timely management actions to mitigate when problems be taken and find solution with relevant team monthly. In part of internal audit, they define plan focusing on balancing and transparency throughout management and operational process, evaluate an adequate and comply with internal control system establishing by management to achieve its effectiveness and efficiency, then report result to Board of Director, Audit Committee, and all management level regularly.

For internal control in other topics The Board of Directors is of the opinion that The Company has sufficient internal control as well. In addition, the Company's auditor is EY Office Company Limited by Mr.Preecha Arunnaral the auditor of the quarterly and annual financial statements 2021 has no opinion in the audit report that the Company has deficiencies in the internal control system.

9.2 Related party transactions

In 2021, the company has transaction with subsidiaries; this transaction is normal business operations.

For procedure for the approval of the transaction, the company has conducted business according to general trade agreement, market price and conditions. In case of unusual trade nor in accordance with market terms and conditions must be submitted to the Board of Directors to approve all the transaction.

However, consideration of all the transaction shall be in attendance to Audit Committee's review to examine the appropriateness of the price rates of return. Except in case of normal transaction or usual business according to market terms and conditions, Executive Committee or Chief Executive Officer or senior management has entitled to approve the scope of the authorization given. Yet, in event that the committee does not have the expertise to consider the transaction, the company shall provide expert such as auditors or independent experts to comment on the transaction said. The Board of Directors or a person with special expertise will be applied to the decision of the Board of Directors or shareholders, as the case.

Moreover, company will reveal such transactions in the financial statements 'notes audited by the auditors. The transaction shall be done in accordance with the law, notifications, or regulations of the Securities and Exchange Commission and / or Stock Exchange of Thailand including compliance with the disclosure of transactions and the acquisition or disposal of major company's assets.

For future transaction, company has procedure for approving transaction. Company has stipulated policy to proceed according to general trade, market terms and conditions to maximize company's benefit.

The Audit Committee will give opinions on the appropriateness of the transaction and the price with fair price for the best benefit of the Company.

Details of Related party transactions

(unit: Thousand Baht)

Individual / related parties	Detail	Transaction value		Remark
		31-Dec.-20	31-Dec.-21	
CSS Energy Co.,Ltd subsidiary	Buy-Sell electric wire	222	61	Based on general trade and support the company's operations to maximize benefit.

The Audit Committee Meeting No. 1/2022 held on February 28, 2022 has considered and opined that the above transactions are reasonable. The price and terms are in line with normal business practices. (Fair and arms' length)

Part 3 Financial Statements

Declaration of the Directors'

Responsibility for the Financial Statements

The Board of Directors is particularly the responsibility for financial statements of Communication & System Solution Public Company Limited and its subsidiaries. Under the Accounting Act of 2000, the Securities and Exchange Act of 1992, such statements have been prepared under generally accepted accounting standards, which regularly complies with a suitable accounting policies and due and reasonable discretion exercised in the preparation of financial statements.

The Board of Directors oversees and develops corporate governance, including establishing and maintaining risk management and internal control systems. To be confident that the accounting data is recorded correctly, completely, in time and sufficient to maintain the assets. As well as to prevent fraud or unusual operations that are significant .The Audit Committee, acting on behalf of the Board, has been assigned responsibility for the quality of financial reports and internal control system, and its opinions duly appear in its own report found in this publication.

It is our view that the Company's internal control system is, on the whole, satisfactory and can reasonably assure us that the financial statements of Communication & System Solution Public Company Limited and its subsidiaries are reliable under generally accepted accounting standards, legally sound, and acceptable to relevant regulations.



(Mr.Sompong Kangsawiwat)
Chairman and Chief Executive Officer

Independent Auditor's Report

To the Shareholders of Communication & System Solution Public Company Limited

Opinion

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Communication & System Solution Public Company Limited and its subsidiaries and of Communication & System Solution Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

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

Goodwill

The Company recorded goodwill of Baht 156 million as a result of the acquisition of shares in a subsidiary. I have paid attention to the assessment of impairment of goodwill as it required the management to exercise a high degree of judgement in estimating the future cash flows of the subsidiary and setting an appropriate discount rate and long-term growth rate. The assessment of the impairment thus directly affects the balance of goodwill presented at period-end.

I gained understanding and assessed management's decision-making process whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from a subsidiary, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of

management judgement in estimating the cash flow projections. I also evaluated the discount rate applied by management through analysis of the moving average costs of capital and others information with other comparable companies, tested the calculation of the recoverable amount of the assets using the selected financial model and considered the impact of changes in key assumptions on those recoverable amount. Moreover, I reviewed the disclosures made with respect to the impairment assessment for goodwill as well as sensitivity of the impact of changes in key assumption to the cash flow projections.

Allowance for expected credit losses for trade receivables

As described in Note 4.16 to the financial statements, the Group estimated the allowance for expected credit losses for trade receivables based on its historical credit losses experience and adjusted for forward-looking factors specific to the debtors and the economic environment. The determination of expected credit losses for trade receivables required the management to exercise judgement and the estimate of allowance for expected credit losses for trade receivables thus directly affects the expected credit losses recorded as expenses in profit or loss and the balance of trade receivables presented at the end of the reporting period.

I assessed and tested the internal controls of the Group relevant to the determination of allowance for expected credit losses by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. In addition, I assessed the method and the assumptions applied by management in determining of the policies on determining allowance for expected credit losses on a basis of each trade receivable type. I reviewed the preparation of the trade receivable aging report and tested the calculation of allowance for expected credit losses in accordance with these policies. In addition, I reviewed the allowance for expected credit losses set aside for specific trade receivables.

Net realisable value of inventory

Estimating the net realisable value of inventory, as disclosed in Note 11 to the financial statements, requires management to exercise judgement for policies on allowance for diminution in value of slow-moving and obsolete inventory. This requires detailed analysis of the product life cycle. The estimation of net realisable value of inventory thus affects both the allowance of inventories expense recorded in profit and loss and the balance of inventories presented at period-end.

I assessed and tested the internal controls of the Group relevant to the determination of allowance for diminution in the value of inventory by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. In addition, I assessed the method and the assumptions applied by management in determining of the policies on determining allowance for diminution in value of inventories on a basis of aging. I reviewed the preparation of the inventories aging report and tested the calculation of allowance for diminution in value of inventories in accordance with these policies. In addition, I analysed the inventory holding periods and inventory movement to identify product lines with indicators of lower than normal inventory turnover. Moreover, I reviewed the preparation of the comparison report between net realisable value of inventory and the cost of inventory for each product line and examined supporting documents on a sampling basis for actual sales transactions occurring after the period-end.

Revenue recognition

Sales and service revenues are highly significant to the financial statements and the key indicator of business performance in which management and financial statements' users are interested. Because the increases or decreases in revenue directly affect the Group's performance, I draw a special consideration regarding the revenue recognition of the Group with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by assessed and tested the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. Examined, on a sampling basis, supporting documents for actual sales transactions occurring during the year and near the end of the accounting period. Applied a sampling method to select sales and service agreements whether the recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy. Reviewed credit notes that the Group issued after the period-end and also performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

Preecha Arunnara

Certified Public Accountant (Thailand) No. 5800



EY Office Limited

Bangkok: 28 February 2022

Communication & System Solution Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Assets					
Current assets					
Cash and cash equivalents	7	293,462,942	328,787,537	117,430,881	169,560,300
Trade and other receivables	8	1,379,275,966	945,863,554	1,262,712,792	742,878,811
Contract assets	9	285,133,356	230,013,045	201,195,961	179,350,243
Costs to fulfil contracts with customers	10	240,857,479	132,858,836	163,468,722	81,168,029
Inventories	11	520,522,242	372,220,493	509,853,487	359,224,700
Other current financial assets	32.1	366,210	30,000	113,501	30,000
Other current assets		13,841,946	4,646,208	6,703,788	784,376
Total current assets		2,733,460,141	2,014,419,673	2,261,479,132	1,532,996,459
Non-current assets					
Restricted bank deposits	12	43,937,353	159,018,310	26,937,353	141,618,310
Investments in subsidiaries	13	-	-	494,858,940	494,858,940
Investments in associates	14	381,164,550	323,644,719	300,704,260	310,467,835
Property, plant and equipment	15	283,848,901	352,805,721	254,691,427	328,891,074
Goodwill	16	156,497,121	156,497,121	-	-
Deferred tax assets	25	43,781,100	43,438,291	31,027,047	30,082,082
Other non-current assets		18,029,258	18,265,123	2,039,050	2,032,290
Total non-current assets		927,258,283	1,053,669,285	1,110,258,077	1,307,950,531
Total assets		3,660,718,424	3,068,088,958	3,371,737,209	2,840,946,990

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

Communication & System Solution Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	17	105,000,000	199,500,000	40,000,000	120,000,000
Trade and other payables	18	1,335,281,823	1,000,345,686	1,276,436,541	953,568,791
Contract liabilities	9	153,532,111	81,245,317	149,698,577	60,744,025
Current portion of long-term loans		-	500,000	-	500,000
Current portion of lease liabilities	19	3,704,614	5,641,460	3,286,656	4,298,081
Other current financial liabilities	32.1	348,320	124,564	-	124,564
Income tax payable		42,888,467	12,971,925	42,888,467	12,169,440
Other current liabilities		33,069,472	14,003,435	27,637,608	8,118,640
Total current liabilities		1,673,824,807	1,314,332,387	1,539,947,849	1,159,523,541
Non-current liabilities					
Lease liabilities, net of current portion	19	8,904,993	12,609,607	6,870,763	10,157,419
Provision for long-term employee benefits	20	75,204,114	74,369,882	64,929,586	65,131,173
Deferred tax liabilities	25	700,762	760,229	-	-
Total non-current liabilities		84,809,869	87,739,718	71,800,349	75,288,592
Total liabilities		1,758,634,676	1,402,072,105	1,611,748,198	1,234,812,133

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

Communication & System Solution Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Shareholders' equity					
Share capital					
Registered					
1,176,073,769 ordinary shares of Baht 0.5 each		588,036,885	588,036,885	588,036,885	588,036,885
Issued and fully paid-up					
1,175,739,089 ordinary shares of Baht 0.5 each		587,869,545	587,869,545	587,869,545	587,869,545
Share premium		753,575,398	753,575,398	753,575,398	753,575,398
Surplus resulting from business combination					
under common control		6,827,505	6,827,505	-	-
Retained earnings					
Appropriated - statutory reserve	21	59,000,000	59,000,000	59,000,000	59,000,000
Unappropriated		412,789,310	235,603,716	359,544,068	205,689,914
Other components of shareholders' equity		13,657,260	(43,662,220)	-	-
Equity attributable to owners of the Company		1,833,719,018	1,599,213,944	1,759,989,011	1,606,134,857
Non-controlling interests of the subsidiaries		68,364,730	66,802,909	-	-
Total shareholders' equity		1,902,083,748	1,666,016,853	1,759,989,011	1,606,134,857
Total liabilities and shareholders' equity		3,660,718,424	3,068,088,958	3,371,737,209	2,840,946,990

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

Directors

Communication & System Solution Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Profit or loss:					
Revenues					
Sales		3,039,190,115	2,978,273,976	3,002,858,930	2,686,483,751
Installation service revenue		814,952,362	503,773,270	552,955,669	281,741,453
Other income		155,374,594	40,989,194	170,491,873	39,949,826
Total revenues		4,009,517,071	3,523,036,440	3,726,306,472	3,008,175,030
Expenses					
Cost of sales		2,648,327,991	2,631,613,327	2,614,827,709	2,360,520,361
Installation service costs		663,082,262	367,765,068	453,144,792	195,545,873
Selling and distribution expenses		67,415,301	76,221,458	67,061,989	73,072,707
Administrative expenses		322,754,473	359,666,519	286,340,899	272,216,865
Impairment loss on investment in an associate	14	-	-	20,500,000	14,671,212
Total expenses		3,701,580,027	3,435,266,372	3,441,875,389	2,916,027,018
Operating profit		307,937,044	87,770,068	284,431,083	92,148,012
Share of profit from investments in associates	14	5,703,124	23,750,016	-	-
Finance income		1,593,459	10,716,632	837,353	9,662,004
Finance cost	23	(5,114,216)	(10,516,769)	(3,148,534)	(7,599,440)
Profit before income tax expenses		310,119,411	111,719,947	282,119,902	94,210,576
Income tax expenses	25	(62,266,301)	(17,151,825)	(59,832,559)	(22,217,414)
Profit for the year		247,853,110	94,568,122	222,287,343	71,993,162
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Share of other comprehensive income from investments					
in associates, net of income tax	14	57,319,480	(24,519,588)	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Actuarial gains, net of income tax		1,438,260	-	2,110,766	-
Other comprehensive income for the year		58,757,740	(24,519,588)	2,110,766	-
Total comprehensive income for the year		306,610,850	70,048,534	224,398,109	71,993,162

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

Communication & System Solution Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
Note	2021	2020	2021	2020
Profit attributable to:				
Equity holders of the Company	246,089,537	92,700,924	222,287,343	71,993,162
Non-controlling interests of the subsidiaries	1,763,573	1,867,198		
	<u>247,853,110</u>	<u>94,568,122</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	305,049,029	68,181,336	224,398,109	71,993,162
Non-controlling interests of the subsidiaries	1,561,821	1,867,198		
	<u>306,610,850</u>	<u>70,048,534</u>		
Earnings per share	26			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.21</u>	<u>0.08</u>	<u>0.19</u>	<u>0.06</u>

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

Communication & System Solution Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company									
						Other components of shareholders' equity				
						Other comprehensive income				
						Share of other		Total other	Total equity	Equity attributable
	Issued and	Surplus resulting	Retained earnings		comprehensive income	components of	attributable to	to non-controlling	shareholders'	
fully paid-up	from business			from investments	shareholders'	owners of	interests of	shareholders'		
share capital	Share premium	combination under	Appropriated	Unappropriated	in associates	equity	the Company	the subsidiaries	equity	
Balance as at 1 January 2020	587,869,545	753,575,398	6,827,505	59,000,000	189,929,843	(19,142,632)	(19,142,632)	1,578,059,659	64,935,711	1,642,995,370
Profit for the year	-	-	-	-	92,700,924	-	-	92,700,924	1,867,198	94,568,122
Other comprehensive income for the year	-	-	-	-	-	(24,519,588)	(24,519,588)	(24,519,588)	-	(24,519,588)
Total comprehensive income for the year	-	-	-	-	92,700,924	(24,519,588)	(24,519,588)	68,181,336	1,867,198	70,048,534
Dividend paid (Note 29)	-	-	-	-	(47,027,051)	-	-	(47,027,051)	-	(47,027,051)
Balance as at 31 December 2020	587,869,545	753,575,398	6,827,505	59,000,000	235,603,716	(43,662,220)	(43,662,220)	1,599,213,944	66,802,909	1,666,016,853
										-
Balance as at 1 January 2021	587,869,545	753,575,398	6,827,505	59,000,000	235,603,716	(43,662,220)	(43,662,220)	1,599,213,944	66,802,909	1,666,016,853
Profit for the year	-	-	-	-	246,089,537	-	-	246,089,537	1,763,573	247,853,110
Other comprehensive income for the year	-	-	-	-	1,640,012	57,319,480	57,319,480	58,959,492	(201,752)	58,757,740
Total comprehensive income for the year	-	-	-	-	247,729,549	57,319,480	57,319,480	305,049,029	1,561,821	306,610,850
Dividend paid (Note 29)	-	-	-	-	(70,543,955)	-	-	(70,543,955)	-	(70,543,955)
Balance as at 31 December 2021	587,869,545	753,575,398	6,827,505	59,000,000	412,789,310	13,657,260	13,657,260	1,833,719,018	68,364,730	1,902,083,748

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

Communication & System Solution Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Separate financial statements				
	Issued and fully paid-up		Retained earnings		Total
	share capital	Share premium	Appropriated	Unappropriated	
Balance as at 1 January 2020	587,869,545	753,575,398	59,000,000	180,723,803	1,581,168,746
Profit for the year	-	-	-	71,993,162	71,993,162
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	71,993,162	71,993,162
Dividend paid (Note 29)	-	-	-	(47,027,051)	(47,027,051)
Balance as at 31 December 2020	587,869,545	753,575,398	59,000,000	205,689,914	1,606,134,857
					-
Balance as at 1 January 2021	587,869,545	753,575,398	59,000,000	205,689,914	1,606,134,857
Profit for the year	-	-	-	222,287,343	222,287,343
Other comprehensive income for the year	-	-	-	2,110,766	2,110,766
Total comprehensive income for the year	-	-	-	224,398,109	224,398,109
Dividend paid (Note 29)	-	-	-	(70,543,955)	(70,543,955)
Balance as at 31 December 2021	587,869,545	753,575,398	59,000,000	359,544,068	1,759,989,011
					-

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

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Communication & System Solution Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities:				
Profit before tax	310,119,411	111,719,947	282,119,902	94,210,576
Adjustments to reconcile profit before tax to				
net cash provided by (paid from) operating activities:				
Depreciation and amortisation	24,863,393	28,920,063	21,221,049	25,143,881
Allowance for expected credit losses	4,442,780	57,060,257	5,306,468	17,653,528
Reduction of cost of inventories to net realisable value (reversal)	(8,216,325)	(214,495)	(3,787,129)	64,200
Impairment loss on investment in an associate	-	-	20,500,000	14,671,212
Share of gain from investments in associates	(5,703,124)	(23,750,016)	-	-
Dividend received	-	-	(16,239,198)	-
Provision for long-term employee benefits	7,012,661	7,471,327	6,817,474	6,408,898
Gain on disposal of property, plant and equipment	(146,272,062)	(5,460,291)	(146,272,011)	(4,649,087)
Unrealised (gain) loss on exchange	(37,808)	62,278	(2,868,982)	54,971
Loss (gain) on valuation of derivatives	(112,453)	94,564	(208,065)	94,564
Interest income	(1,593,459)	(10,716,632)	(837,353)	(9,662,004)
Interest expenses	5,114,216	10,516,769	3,148,534	7,599,440
Profit from operating activities before changes in				
operating assets and liabilities	189,617,230	175,703,771	168,900,689	151,590,179
Operating assets (increase) decrease				
Trade and other receivables	(438,153,721)	18,697,881	(525,436,865)	88,449,895
Contract assets	(55,120,311)	(54,054,922)	(21,845,718)	(73,435,700)
Costs to fulfil contracts with customers	(107,998,643)	9,950,928	(82,300,693)	(1,197,541)
Inventories	(140,085,424)	257,386,909	(146,841,658)	167,487,923
Other current assets	(5,962,100)	9,519,024	(5,794,848)	843,823
Other non-current assets	(489,248)	(11,459,593)	(14,999)	-
Operating liabilities increase (decrease)				
Trade and other payables	334,957,724	(116,632,441)	323,000,811	(29,277,785)
Contract liabilities	72,286,794	25,679,979	88,954,552	13,103,961
Other current liabilities	19,240,015	(4,893,064)	19,894,404	310,045
Cash paid for long-term employee benefits	(4,380,603)	-	(4,380,603)	-
Cash flow from (used in) operating activities	(136,088,287)	309,898,472	(185,864,928)	317,874,800
Cash received from interest income	1,891,988	10,777,674	1,133,769	9,721,514
Cash paid for interest expenses	(4,117,739)	(9,457,594)	(2,299,395)	(6,742,078)
Cash paid for income tax	(35,894,545)	(17,725,657)	(31,086,189)	(14,992,784)
Net cash flows from (used in) operating activities	(174,208,583)	293,492,895	(218,116,743)	305,861,452

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

Communication & System Solution Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash flows from investing activities:				
Decrease (increase) in restricted bank deposits	115,084,106	(3,360,000)	117,418,884	-
Cash receipts from repayment of short-term loans to an associated company	-	297,654,823	-	297,654,823
Cash paid for investment in an associated company	(10,736,425)	-	(10,736,425)	-
Proceeds from sales of property, plant and equipment	202,427,222	5,490,827	202,427,138	4,679,602
Acquisition of equipment	(11,961,293)	(5,893,934)	(3,168,290)	(5,121,731)
Dividend received from associate	16,239,198	-	16,239,198	-
Net cash flows from investing activities	311,052,808	293,891,716	322,180,505	297,212,694
Cash flows from financing activities:				
Cash paid for short-term loans from financial institutions	(799,550,000)	(2,289,293,745)	(635,000,000)	(1,767,000,000)
Cash receipts from short-term loans from financial institutions	705,050,000	1,794,293,745	555,000,000	1,291,000,000
Repayment of long-term loans	(500,000)	(16,040,000)	(500,000)	(16,040,000)
Repayment of liabilities under lease agreements	(6,624,865)	(8,619,357)	(5,149,226)	(7,558,448)
Dividend paid	(70,543,955)	(47,027,051)	(70,543,955)	(47,027,051)
Net cash flows used in financing activities	(172,168,820)	(566,686,408)	(156,193,181)	(546,625,499)
Net increased (decrease) in cash and cash equivalents	(35,324,595)	20,698,203	(52,129,419)	56,448,647
Cash and cash equivalents at beginning of period	328,787,537	308,089,334	169,560,300	113,111,653
Cash and cash equivalents at end of year	293,462,942	328,787,537	117,430,881	169,560,300
Supplemental cash flow information:				
Non-cash item				
Purchase of assets under lease agreement	-	8,810,000	-	8,810,000

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

Communication & System Solution Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2021

1. General information

1.1 General information of the Company

Communication & System Solution Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the distribution and installation of equipment production for electricity, water, air conditioning and telecommunication systems. The registered office of the Company is at 329 Moo 3 Banmai, Pakkred, Nonthaburi.

The Company has Chonburi Branch at 59 Moo 7, Bang Pra, Sriracha, Chonburi.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Communication & System Solution Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

Name of entity	Nature of business	Country of incorporation	Percentage of shareholding	
			2021 (%)	2020 (%)
C.S.S. Energy Company Limited	Distribution and installation of electric cables, tube and electrical products	Thailand	100	100
Neonworx Communications (Thailand) Limited	Distribution and installation of equipment product for telecommunication systems	Thailand	70	70

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

c) Subsidiaries are fully consolidated, as from the date on which the Company obtains control, and continues to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

e) Material balances and transactions between the Group has been eliminated from the consolidated financial statements.

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

2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

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

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

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

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

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

4. Significant accounting policies

4.1 Revenues and expenses recognition

Revenue from sales of goods

Revenue from sales of goods is recognised at the point in time when control of goods is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting discounts.

Revenues from installation services

The Group has determined that their installation service contracts generally have one performance obligation. The Group recognises installation service revenue over time where the stage of completion is measured using an output method, based on measurement of the value of services rendered up to the end of the period and total project value of contracts.

The likelihood of contract variations, claims and liquidated damages, delays in delivery or contractual penalties is taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

Interest income

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

Installation service costs

Installation service costs are recognised in accordance with satisfied performance obligations in the contract when incurred. Provision for anticipated losses on projects is made in the accounts in full when the possibility of loss is ascertained.

Finance cost

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

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

4.3 Contract assets/Contract liabilities

Contract assets

A contract asset is the excess of cumulative revenue earned over the billings to date. Contract assets are transferred to receivables when the rights become unconditional (i.e. services are completed and delivered to the customer).

Contract liabilities

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer goods or services to a customer. Contract liabilities are recognised as revenue when the Group fulfils its performance obligations under the contracts.

4.4 Costs to fulfil contracts with customers

The Group recognises costs to fulfil a customer contract as an asset, provided that the costs generate or enhance resources of the entity that will be used in satisfying performance obligations in the future and the costs are expected to be recovered. The asset recognised is amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs.

Inventories

Finished goods are valued at the lower of cost (under the first-in first-out method), except large size cables (under the specific identification method), and net realisable value.

4.6 Investments in subsidiaries and associates

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

4.7 Property, plant and equipment/Depreciation

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

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

Buildings	-	20 years
Furniture and fixtures	-	5 years
Toolings and equipment	-	5 years
Office equipment	-	3, 5 years
Motor vehicles	-	5 years
Installed equipment under contract	-	10, 20 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

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

4.8 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.9 Leases

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

The Group as a lessee

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

Right-of-use assets

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

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

Motor vehicles 7 years

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

Right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

4.10 Related party transactions

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

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

4.11 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated

by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

4.14 Provisions

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

4.15 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.16 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets at FVTPL

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

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

Classification and measurement of financial liabilities

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

Derecognition of financial instruments

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

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

Impairment of financial assets

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

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

However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

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

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

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

Offsetting of financial instruments

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

4.17 Derivatives

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

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

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

4.18 Fair value measurement

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

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

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

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

5. Significant accounting judgements and estimates

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

Allowance for expected credit losses of trade receivables and contract assets

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

Reduction of inventory cost to net realisable value

In determining a reduction of inventory cost to net realisable value, the management makes judgement and estimates net realisable value of inventory based on the estimated selling price in the ordinary course of business less the estimated costs necessary to make sale. Also, the management makes judgement and estimates expected loss from stock obsolescence based upon approximate aging profile of each type of inventory.

Goodwill

The initial recognition and measurement of goodwill, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2021	2020	2021	2020	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Purchases of goods	-	-	61	222	Cost plus margin more than 2%
Cost of installation services	-	-	-	4,526	Cost plus margin 8%
<u>Transactions with associates</u>					
Interest income	-	6,768	-	6,768	Rate 6.75% - 7.00% per annum
Dividend received	16,239	-	16,239	-	Declared rate

As at 31 December 2021 and 2020, the balances of the accounts between the Group and its related parties were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade payables - subsidiaries (Note 18)	-	-	25	780

Directors and management's benefits

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	38,669	40,745	30,962	32,760
Post-employment benefits	2,364	2,260	1,244	1,200
Total	41,033	43,005	32,206	33,960

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 30.2 to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash	2,549	1,661	2,518	1,609
Bank deposits	290,914	327,126	114,913	167,951
Total	293,463	328,787	117,431	169,560

As at 31 December 2021, bank deposit in saving accounts and fixed deposits carried interests between 0.10 and 0.50 percent per annum (2020: between 0.10 and 0.50 percent per annum) (the Company only: between 0.10 and 0.40 percent per annum, 2020: between 0.10 and 0.50 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated	financial	Separate	financial
	statements		statements	
	2021	2020	2021	2020
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	901,320	555,644	861,398	410,337
Past due up to 3 months	379,108	257,960	352,823	247,665
3 - 6 months	5,805	31,024	5,805	17,388
6 - 12 months	14,051	42,630	13,915	30,621
Over 12 months	160,126	163,870	94,065	103,082
Total	1,460,410	1,051,128	1,328,006	809,093
Less: Allowance for expected credit losses	(138,069)	(133,476)	(79,940)	(74,633)
Total trade receivables - unrelated parties, net	1,322,341	917,652	1,248,066	734,460
Total trade receivables, net	1,322,341	917,652	1,248,066	734,460

	(Unit: Thousand Baht)			
	Consolidated	financial	Separate	financial
	statements		statements	
	2021	2020	2021	2020
<u>Other receivables</u>				
Other receivables	13,613	6,483	9,602	2,638
Less: Allowance for expected credit losses	(3,088)	(3,238)	-	-
Other receivables, net	10,525	3,245	9,602	2,638
Advance payments	1,560	2,551	1,560	2,551
Advance payments for materials	41,918	20,037	1,079	1,372
Interest receivables	-	299	-	296
Prepaid expenses	2,932	2,080	2,406	1,562
Total other receivables, net	56,935	28,812	14,647	8,419
Total trade and other receivables, net	1,379,276	945,864	1,262,713	742,879

The normal credit term is 30 to 90 days.

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Beginning balance	136,714	79,654	74,633	56,980
Provision for expected credit losses	48,044	67,818	48,044	27,026
Amount written off	(20,359)	(7,763)	(20,151)	(7,708)
Amount recovered	(23,242)	(2,995)	(22,586)	(1,665)
Ending balance	141,157	136,714	79,940	74,633

9. Contract assets/Contract liabilities

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
<u>Contract assets</u>					
Accrued income for installation services		38,308	14,501	3,450	14,501
Unbilled receivables		243,512	212,303	194,825	162,202
Retention receivables		3,313	3,209	2,921	2,647
Total contract assets		285,133	230,013	201,196	179,350
<u>Contract liabilities</u>					
Installation service revenue received in advance		153,532	81,245	149,699	60,744
Total contract liabilities		153,532	81,245	149,699	60,744

10. Assets recognised in respect of costs to fulfil a contract with a customer

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
Telecommunication projects		8,083	12,756	2,076	3,064
Other installation projects		232,775	120,103	161,393	78,104
		240,858	132,859	163,469	81,168

11. Inventories

		(Unit: Thousand Baht)					
		Consolidated financial statements					
		Cost		Reduce cost to net realisable value		Inventories - net	
		2021	2020	2021	2020	2021	2020
Finished goods		540,548	400,462	(20,026)	(28,242)	520,522	372,220

		(Unit: Thousand Baht)					
		Separate financial statements					
		Cost		Reduce cost to net realisable value		Inventories - net	
		2021	2020	2021	2020	2021	2020
Finished goods		523,773	376,931	(13,919)	(17,706)	509,854	359,225

During the year 2021, the Group reduced cost of inventories by Baht 8 million (2020: Baht 8 million) (the Company only: Baht 8 million, 2020: Baht 8 million) to reflect net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 16 million (2020: Baht 7 million) (the Company only: Baht 12 million, 2020: Baht 7 million) and reduced the amount of inventories recognised as expenses during the year.

12. Restricted bank deposits

The balance as at 31 December 2021 of restricted bank deposits was fixed bank deposits secured by the Group for bank overdrafts and short-term loans from financial institutions amounting to Baht 17 million (the Company only: Nil). Moreover, the Company's bank deposits of USD 0.81 million or approximately of Baht 26.94 million were used as collateral for a loan of Phu Khanh Solar Power Joint Stock Company, the Company's associate (31 December 2020: guarantee for bank overdrafts and short-term loans from financial institutions amounting to Baht 134.8 million (the Company only: Baht 117.4 million) and used as collateral for the loan facilities of the associated company amounting to USD 0.81 million or approximately of Baht 24.3 million).

13. Investments in subsidiaries

13.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	2021	2020	2021	2020	2021	2020
			(%)	(%)		
C.S.S. Energy Company Limited	150,000	150,000	100	100	150,000	150,000
Neonworx Communications (Thailand) Limited	10,000	10,000	70	70	344,859	344,859
Total					494,859	494,859

There was no dividend received from the above subsidiaries for the years ended 31 December 2021 and 2020.

13.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year	
	2021	2020	2021	2020	2021	2020
	(%)	(%)				
Neonworx Communications (Thailand) Limited	30	30	69	67	2	2

13.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests

Summarised information about financial position of Neonworx Communications (Thailand) Limited

(Unit: Million Baht)

	As at 31 December	
	2021	2020
Current assets	283	312
Non-current assets	61	64
Current liabilities	108	146
Non-current liabilities	12	12

Summarised information about comprehensive income of Neonworx Communications (Thailand) Limited

(Unit: Million Baht)

	For the year ended 31 December	
	2021	2020
Revenue	263	334
Profit	7	6
Other comprehensive income	-	-
Total comprehensive income	7	6

Summarised information about cash flow of Neonworx Communications (Thailand) Limited

(Unit: Million Baht)

	For the year ended 31 December	
	2021	2020
Cash flow from operating activities	19	9
Cash flow used in investing activities	-	(4)
Cash flow used in financing activities	(16)	(20)
Net increase (decrease) in cash and cash equivalents	3	(15)

14. Investment in associates

14.1 Details of associates:

Company's name	Nature of business	Country of incorporation	Shareholding percentage	
			2021	2020
			(%)	(%)
Namsor Hydro Power Company Limited	Generating and sale of electricity from hydro power system	The Lao People's Democratic Republic	39	38
Phu Khanh Solar Power Joint Stock Company Limited	Generating and sale of electricity from solar power system	Socialist Republic of Vietnam	25	25
Total				

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Carrying amounts based on equity method		Carrying amount based on cost method	
	2021	2020	2021	2020
Namsor Hydro Power Company Limited	28,554	38,318	83,783	73,046
Less: Allowance for impairment of investment	-	-	(55,229)	(34,728)
Net	28,554	38,318	28,554	38,318
Phu Khanh Solar Power Joint Stock Company Limited	352,611	285,327	272,150	272,150
Total	381,165	323,645	300,704	310,468

On 20 April 2021, the Board of Director's Meeting of the Company passed a resolution approving an investment in additional shares capital of Namsor Hydro Power Company Limited ("NSPC") for 26,600 shares at amounting to USD 332,500 (approximately Baht 10.7 million). The Company had fully paid for the increased share capital on 30 April 2021 and 25 October 2021, which is registered the additional shares under the law of Lao People's Democratic Republic on 29 December 2021. The investment in such additional share capital resulting the Company's percentage shareholding in that company has changed from 38 percent to 39 percent.

During the year 2021, the Company evaluated an impairment on investment in Namsor Hydro Power Company Limited and recorded loss on impairment in value of investment in associate of Baht 21 million (2020: Baht 15 million).

As at 31 December 2021 and 2020, ordinary shares of both associated companies, the shareholding proportion of the Company are pledged with bank to guarantee loans facilities of both associated companies and as mentioned in Note 12 to financial statements, certain amounts of the Company's bank deposits were used as collateral for the loan facilities of the associated company, Phu Khanh Solar Power Joint Stock Company.

14.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit (loss) from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

Associates	Consolidated financial statements				(Unit: Thousand Baht) Separate financial statements	
	Share of profit (loss) from investments in associates		Share of other comprehensive income from investments in associates		Dividend received	
	2021	2020	2021	2020	2021	2020
Namsor Hydro Power Company Limited	(16,112)	(12,756)	(4,388)	(667)	-	-
Phu Khanh Solar Power Joint Stock Company Limited	21,815	36,506	61,708	(23,853)	16,239	-
Total	5,703	23,750	57,320	(24,520)	16,239	-

Namsor Hydro Power Company Limited commenced the commercial electricity sales in January 2019 and Phu Khanh Solar Power Joint Stock Company Limited commenced the commercial electricity sales in June 2019.

14.3 Summarised financial information about material associates

	Namsor Hydro Power Company Limited		Phu Khanh Solar Power Joint Stock Company Limited	
	(Unit: Million LAK)		(Unit: Million VND)	
	2021	2020	2021	2020
Paid-up capital	55,169	48,272	782,000	782,000
Total assets	85,164	86,782	2,181,776	2,312,869
Total liabilities	60,413	56,405	1,230,611	1,447,706
Revenue	7,520	5,054	279,988	338,714
Profit (loss) for the year	(12,140)	(4,772)	62,552	108,415
Total comprehensive income	(12,140)	(4,772)	62,552	108,415
Summarised information about financial position				
	Namsor Hydro Power Company Limited		Phu Khanh Solar Power Joint Stock Company Limited	
	(Unit: Million Baht)		(Unit: Million Baht)	
	2021	2020	2021	2020
Current assets	34	17	402	385
Non-current assets	223	262	2,793	2,619
Current liabilities	(28)	(24)	(191)	(195)
Non-current liabilities	(152)	(158)	1,611	(1,685)
Net assets	77	97	1,393	1,124
Shareholding percentage (%)	38	38	25	25
Share of net assets	29	37	348	281
Goodwill	-	-	4	4
Concessionary right - hydro power plant	-	1	-	-
Carrying amounts of the associate based on equity method	29	38	352	285

*The Company uses the percentage shareholding before increased share capital at 38% as it considered that the existing percentage of shareholding before increased share capital reflected most of the investment share for the year 2021.

15. Property, plant and equipment

Movement of property, plant and equipment for the years ended 31 December 2021 and 2020 are summarised as follow:

(Unit: Thousand Baht)

	Consolidated financial statements									
	Land	Building	Furniture and fixtures	Toolings and equipment	Office equipment	Motor vehicles	Installed equipment under contract	Right-of-use assets - motor vehicles	Assets under installation	Total
Cost:										
1 January 2020	171,630	218,602	13,203	21,871	48,429	33,873	34,107	34,317	-	576,032
Additions	-	-	30	1,323	2,233	954	-	8,810	1,354	14,704
Disposals and written off	-	-	(179)	(1,076)	(1,449)	(1,237)	-	(19,747)	-	(23,688)
Transfer in (transfer out)	-	-	-	-	-	(6,279)	-	6,279	-	-
31 December 2020	171,630	218,602	13,054	22,118	49,213	27,311	34,107	29,659	1,354	567,048
Additions	-	-	1,053	2,178	1,336	-	-	6,274	46	10,887
Disposals/written off	(55,926)	(1,804)	(1,221)	(61)	(495)	(5)	-	(3,285)	-	(62,797)
Transfer in (transfer out)	-	-	1,354	-	-	6,317	-	(6,317)	(1,354)	-
31 December 2021	115,704	216,798	14,240	24,235	50,054	33,623	34,107	26,331	46	515,138
Accumulated depreciation:										
1 January 2020	-	57,007	10,988	18,715	43,133	32,326	26,634	20,278	-	209,081
Depreciation for the year	-	11,044	1,101	1,718	3,606	1,339	3,326	6,683	-	28,817
Depreciation on disposals/written off	-	-	(178)	(1,058)	(1,436)	(1,237)	-	(19,747)	-	(23,656)
Transfer in (transfer out)	-	-	-	-	-	(6,081)	-	6,081	-	-
31 December 2020	-	68,051	11,911	19,375	45,303	26,347	29,960	13,295	-	214,242
Depreciation for the year	-	10,139	975	1,482	1,686	955	2,198	5,650	-	23,085
Depreciation on disposals/written off	-	(975)	(1,221)	(57)	(496)	(4)	-	(3,285)	-	(6,038)
Transfer in (transfer out)	-	-	-	-	-	5,915	-	(5,915)	-	-
31 December 2021	-	77,215	11,665	20,800	46,493	32,493	32,158	10,465	-	231,289
Net book value:										
31 December 2020	171,630	150,551	1,143	2,743	3,910	964	4,147	16,364	1,354	352,806
31 December 2021	115,704	139,583	2,575	3,435	3,561	1,130	1,949	15,866	46	283,849
Depreciation for the year										
2020 (Baht 4 million included in installation service costs, and the balance in selling and administrative expenses)										28,817
2021 (Baht 3 million included in installation service costs, and the balance in selling and administrative expenses)										23,085

(Unit: Thousand Baht)

Separate financial statements										
	Land	Building	Furniture and fixtures	Toolings and equipment	Office equipment	Motor vehicles	Installed equipment under contract	Right-of-use assets - motor vehicles	Assets under installation	Total
Cost										
1 January 2020	162,200	188,429	7,673	15,172	40,551	32,552	34,107	30,043	-	510,727
Additions	-	-	30	1,217	1,567	954	-	8,810	1,354	13,932
Disposals/written off	-	-	(133)	(1,076)	(1,026)	(1,237)	-	(16,877)	-	(20,349)
Transfer in (transfer out)	-	-	-	-	-	(6,279)	-	6,279	-	-
31 December 2020	162,200	188,429	7,570	15,313	41,092	25,990	34,107	28,255	1,354	504,310
Additions	-	-	476	1,704	942	-	-	-	46	3,168
Disposals	(55,926)	(1,200)	-	(27)	(221)	(4)	-	(3,285)	-	(60,663)
Transfer in (transfer out)	-	-	1,354	-	-	6,317	-	(6,317)	(1,354)	-
31 December 2021	106,274	187,229	9,400	16,990	41,813	32,303	34,107	18,653	46	446,815
Accumulated depreciation:										
1 January 2020	-	48,054	5,097	11,736	35,880	31,006	26,634	12,194	-	170,601
Depreciation for the year	-	9,514	987	1,608	3,218	1,339	3,326	5,143	-	25,135
Depreciation on disposals/written off	-	-	(133)	(1,058)	(1,013)	(1,237)	-	(16,877)	-	(20,318)
Transfer in (transfer out)	-	-	-	-	-	(6,081)	-	6,081	-	-
31 December 2020	-	57,568	5,951	12,286	38,085	25,027	29,960	6,541	-	175,418
Depreciation for the year	-	9,468	916	1,420	1,320	956	2,198	4,936	-	21,214
Depreciation on disposals	-	(975)	-	(23)	(221)	(4)	-	(3,285)	-	(4,508)
Transfer in (transfer out)	-	-	-	-	-	5,195	-	(5,195)	-	-
31 December 2021	-	66,061	6,867	13,683	39,184	31,174	32,158	2,997	-	192,124
Net book value:										
31 December 2020	162,200	130,861	1,619	3,026	3,006	964	4,147	21,714	1,354	328,891
31 December 2021	106,274	121,168	2,533	3,307	2,629	1,129	1,949	15,656	46	254,691
Depreciation for the year										
2020 (Baht 4 million included in installation service costs, and the balance in selling and administrative expenses)										25,135
2021 (Baht 3 million included in installation service costs, and the balance in selling and administrative expenses)										21,214

In December 2021, the Company sold some of its land to a unrelated company and had gain on such transactions totaling Baht 145 million, and recognised in profit or loss.

As at 31 December 2021 and 2020, certain items of plant and equipment were fully depreciated but were still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 118 million and Baht 93 million, respectively (the Company only: Baht 99 million and Baht 73 million, respectively).

As at 31 December 2021 and 2020, the Group has mortgaged its property and building as collateral against credit facilities received from financial institutions amounting to approximately Baht 254 million and Baht 319 million, respectively (the Company only: Baht 227 million and Baht 292 million, respectively).

As at 31 December 2021, the Company have servitude over land of approximately 108.4 square wah (2020: Nil)

16. Goodwill

The Company included goodwill acquired through business combination to the cash generating units ("CGUs") (Neonworx Communications (Thailand) Limited) for annual impairment testing. The recoverable amount of the CGU has been determined based on value in use calculation using cash flow projections from financial budgets approved by management covering a five-year period.

The management calculated value in use by determining the revenue growth rate based on revenue projection of Neonworx Communications (Thailand) Limited which was made by referring to the currently available bidding projects to the government and private agencies, the ability to compete to receive the bidding and its expectations of market growth. The pre-tax discount rate used at 11% per annum reflect specific risks relating to the assets.

The management has considered and believes that there is no occurrence of impairment of goodwill and believes that any reasonably possible change in the key assumptions on which the units' recoverable amount are based would not cause the units' carrying amount to exceed its recoverable amount.

17. Short-term loans from financial institutions

	Interest rate		Consolidated financial		(Unit: Thousand Baht)	
	(percent per annum)		statements		Separate	
	2021	2020	2021	2020	2021	2020
Short-term loans from financial institutions	1.00 - 2.00	1.20 - 3.05	105,000	199,500	40,000	120,000
Total			105,000	199,500	40,000	120,000

Bank overdrafts and short-term loans from a financial institutions are secured by fixed bank deposits and the mortgage of the Group's land and structures thereon.

18. Trade and other payables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
Trade payables - unrelated parties	1,111,833	854,269	1,081,141	835,177
Trade payables - subsidiaries (Note 6)	-	-	25	780
Accrued costs - unrelated parties	101,658	79,818	76,100	58,852
Other payables - unrelated parties	24,089	11,300	23,514	7,803
Accrued expenses	97,702	54,959	95,656	50,957
Total trade and other payables	1,335,282	1,000,346	1,276,436	953,569

9. Leases

19.1 The Group as a lessee

The Group has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 2 - 5 years.

a) **Right-of-use assets**

Movement of right-of-use assets for the years ended 31 December 2021 and 2020 are described in Note 15 to the financial statements.

b) **Lease liabilities**

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
Lease payments	14,203	20,828	11,719	16,868
Less: Deferred interest expenses	(1,593)	(2,577)	(1,562)	(2,413)
Total	12,160	18,251	10,157	14,455
Less: Portion due within one year	(3,705)	(5,641)	(3,287)	(4,298)
Lease liabilities - net of current portion	8,905	12,610	6,870	10,157

A maturity analysis of lease payments is disclosed in Note 32.2 to financial statements under the liquidity risk.

c) **Expenses relating to leases that are recognised in profit or loss**

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
Depreciation expense of right-of-use assets	6,472	6,683	4,936	5,143
Interest expense on lease liabilities	983	1,094	851	906
Expense relating to short-term leases	4,420	4,397	2,953	2,953
Expense relating to leases of low-value assets	1,470	1,448	1,470	1,448

d) **Others**

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 12 million (2020: Baht 24 million), including the cash outflow related to short-term lease and leases of low-value assets (the Company only: Baht 11 million 2020: Baht 18 million).

20. **Provision for long-term employee benefits**

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Group, was as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
Provision for long-term employee benefits at beginning of year	74,370	66,899	65,131	58,722
Included in profit or loss:				
Current service cost	5,941	5,682	5,076	4,844
Interest cost	1,995	1,789	1,742	1,565
Curtailment	(923)	-	-	-
Recognition in other comprehensive income:				
Actuarial gains				
Demographic assumptions changes	123	-	-	-
Financial assumptions changes	(2,721)	-	(2,363)	-
Experience adjustments	800	-	(275)	-
Benefits paid during the year	(4,381)	-	(4,381)	-
Provision for long-term employee benefits at end of year	75,204	74,370	64,930	65,131

The Group expects to pay Baht 6 million of long-term employee benefits during the next year (2020: 5 million) (the Company only: Baht 5 million 2020: Baht 5 million).

As at 31 December 2021 and 2020, the weighted average durations of the liabilities for long-term employee benefit are 13 years and 15 years, respectively (the Company only: 13 years and 15 years, respectively).

Significant actuarial assumptions are summarised below:

	Consolidated		(Unit: percent per annum)	
	financial statements		Separate	
	2021	2020	2021	2020
Discount rate	2.3	1.5	2.3	1.5
Salary increase rates	3.0 - 7.0	2.5 - 4.5	3.0 - 5.0	2.5 - 4.5
Staff turnover rates	0.0 - 22.0	0.0 - 25.0	0.0 - 20.0	0.0 - 20.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

	(Unit: Million Baht)					
	2021					
	Discount rate		Salary increase rate		Staff turnover rate	
	Decrease		Decrease		Increase	Decrease
	Increase 1%	1%	Increase 1%	1%	20%	20%
Consolidated financial statements	(6)	7	7	(6)	(3)	4
Separate financial statements	(5)	6	6	(5)	(3)	3

	(Unit: Million Baht)					
	2020					
	Discount rate		Salary increase rate		Staff turnover rate	
	Decrease		Decrease		Increase	Decrease
	Increase 1%	1%	Increase 1%	1%	20%	20%
Consolidated financial statements	(7)	7	7	(6)	(5)	6
Separate financial statements	(6)	6	6	(5)	(4)	5

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

22. Revenue from contracts with customers

22.1 Revenue recognised in relation to contract balances

During the year 2021, the Group recognised contract liabilities of Baht 27 million (2020: Baht 18 million) as revenue (the Company only: Baht 8 million and 2020: Baht 10 million).

22.2 Revenue to be recognised for the remaining performance obligations

As at 31 December 2021, the Group expected to recognize revenue totaling Baht 571 million in the future in respect of performance obligations under contracts with customers that are as yet unsatisfied or partially unsatisfied. The Group expects to satisfy these performance obligations within 2 years (31 December 2020: Baht 277 million and within 2 years) (the Company only: Baht 293 million and within 2 years, 31 December 2020: Baht 143 million and 2 years).

23. Finance cost

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest expenses on borrowings	4,131	9,423	2,297	6,693
Interest expenses on lease liabilities	983	1,094	851	906
Total	5,114	10,517	3,148	7,599

24. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Salaries and wages and other employee benefits	235,437	227,513	196,341	189,480
Depreciation and amortisation expenses	24,863	28,920	21,221	25,144
Transportation expenses	12,933	12,775	12,933	12,775
Installation service expenses	193,406	120,793	150,534	91,086
Office service expenses	6,287	6,279	5,583	5,582
Commission expenses	24,949	25,127	24,586	21,979
Rental expenses from lease agreements	5,890	5,845	4,423	4,401
Reduction of cost of inventory to net realisable value (reversal)	(8,216)	(214)	(3,787)	64
Changes in finished goods and assets under installation	(248,070)	267,337	(229,142)	166,290
Purchase of finished goods	3,365,458	2,599,771	3,142,985	2,288,520

25. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Current income tax charge	63,028	30,247	61,305	26,711
Deferred tax:				
Relating to origination and reversal of temporary differences	(762)	(13,095)	(1,473)	(4,494)
Income tax expenses reported in profit or loss	62,266	17,152	59,832	22,217

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax on actuarial gains	(360)	-	(528)	-

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Accounting profit before tax	310,119	111,720	282,120	94,211
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	62,024	22,344	56,424	18,842
Effects of:				
Non-deductible expenses	391	217	4,354	3,556
Additional expense deductions allowed	(144)	(226)	(142)	(181)
Income exempt	(307)	-	(240)	-
Change in value of investment under equity method	2,107	(4,750)	-	-
Others	(1,805)	(433)	(564)	-
Total	242	(5,192)	(3,408)	3,375
Income tax expenses reported in profit or loss	62,266	17,152	59,832	22,217

As at 31 December 2021 and 2020, the components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax assets				
Allowance for expected credit losses	24,437	27,526	15,988	15,110
Allowance for diminution in value of inventories	4,005	5,648	2,784	3,541
Provision for long-term employee benefits	15,041	14,874	12,986	13,026
Tax losses	625	-	-	-
Total	44,108	48,048	31,758	31,677
Deferred tax liabilities				
Leases	327	4,610	731	1,595
Revalue assets from acquisition of subsidiary	701	760	-	-
Total	1,028	5,370	731	1,595

As at 31 December 2021, the Company has deductible temporary differences and unused tax losses totaling Baht 11 million (2020: Baht 7 million), on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

26. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit for the year (Thousand Baht)	246,090	92,701	222,287	71,993
Weighted average number of ordinary shares (Thousand shares)	1,175,739	1,175,739	1,175,739	1,175,739
Earnings per share (Baht/share)	0.21	0.08	0.19	0.06

27. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as chief executive officer of the group.

For management purposes, the Group is organised into business units based on its products and services and have two reportable segments as follows:

- The distribution electrical equipment segment, which is a supplier of electronic cable and other equipment related to electrical system, and fire protection equipment.
- Installation service segment, which design and installation of telecommunications systems and fire protection systems.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2021 and 2020, respectively.

(Unit: Million Baht)

	For the year ended 31 December							
	Distribution of electrical equipment		Installation services		Elimination of inter-segment transactions		Consolidation financial statements	
	2021	2020	2021	2020	2021	2020	2021	2020
Revenue								
Revenue from external customers	3,039	2,978	815	504	-	-	3,854	3,482
Inter-segment revenues	-	-	-	5	-	(5)	-	-
Total revenues	3,039	2,978	815	509	-	(5)	3,854	3,482
Segment operating profit	391	347	152	136	-	-	543	483
Other income (including finance income)							157	52
Share of profit from investments in associates							6	24
Selling and distribution expenses							(68)	(76)
Administrative expenses							(323)	(360)
Finance costs							(5)	(11)
Profit before income tax expenses							310	112
Income tax expenses							(62)	(17)
Profit for the year							248	95

Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customer

For the year ended 31 December 2021 and 2020, the Group has no major customer with revenue of 10 percent or more of distribution of electrical equipment's revenues. However, the Group has revenue from two major customers in amount of Baht 484 million, arising from revenue by installation service (2020: Baht 145 million).

28. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and employees contribute to the fund monthly at the rates of 3 percent to 5 percent of basic salary. The fund, which is managed by UOB Asset Management (Thai) Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 and 2020 amounting to approximately Baht 6.8 million and Baht 6.9 million, respectively (the Company only: Baht 6.0 million and Baht 6.0 million, respectively) were recognised as expenses.

29. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2019	Meeting of Board Director on 2 April 2020	11,756	0.01
Interim dividends for 2020	Meeting of Board Director on 14 August 2020	35,271	0.03
Total for the year 2020		47,027	0.04
Final dividends for 2020	Annual General Meeting of the shareholders on 28 April 2021	35,272	0.03
Interim dividends for 2021	Meeting of Board Director on 11 August 2021	35,272	0.03
Total for the year 2021		70,544	0.06

30. Commitments and contingent liabilities

30.1 Lease and service commitments

The Group has entered into several lease agreements relating to leases of low-value assets, consultant service agreement and service contracts with individuals and companies. The terms of the agreements are generally between 1 to 5 years.

The Group had minimum payments required under these non-cancellable leases contracts were as follows:

(Unit: Million Baht)

	As at 31 December			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Payable:				
In up to 1 year	2	4	2	2
In over 1 and up to 5 years	1	1	1	1

30.2 Guarantees

- a) As at 31 December 2021 and 2020, the Group had outstanding bank guarantees issued by banks on behalf of the Group in the normal course of business. Details are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Guarantee payments due to creditors	211	211	211	211
Guarantee contractual performance	169	106	154	82
Guarantee of construction contracts, bidding and debt repayment	7	39	3	16
Guarantee for sales of goods	16	17	16	17

- b) As at 31 December 2021, the Company had guarantee obligations for bank credit facilities of its subsidiary amounting to Baht 769 million (2020: Baht 734 million).

31. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivatives				
Foreign currency forward contracts	-	0.4	-	0.4
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	0.3	-	0.3

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	0.1	-	0.1

	(Unit: Million Baht)			
	Separate financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivatives				
Foreign currency forward contracts	-	0.1	-	0.1

(Unit: Million Baht)

		Separate financial statements			
		As at 31 December 2020			
		Level 1	Level 2	Level 3	Total
	Liabilities measured at fair value				
	Derivatives				
	Foreign currency forward contracts	-	0.1	-	0.1
32.	Financial instruments				
32.1	Derivatives				

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Derivative assets				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	366	30	114	30
Total derivative assets	366	30	114	30
Derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange forward contracts	348	125	-	125
Total derivative liabilities	348	125	-	125

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions from 3 to 6 months.

32.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, investments, and short-term loans from financial institution. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, contract assets, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by product type, customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The credit risk on the balances with banks and financial institutions and derivatives is limited because the counterparties which are banks and financial institutions with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are 2 types of market risk comprising foreign currency risk and interest rate risk.

Foreign currency risk

The Group's major transaction are denominated in Thai Baht. The balance of financial assets and liabilities denominated in foreign currencies are insignificant, the foreign currency risk is expected to be minimal.

As at 31 December 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	0.8	0.8	(1.2)	(1.3)	33.4199	30.0371
Euro	-	-	(2.0)	-	37.8948	-

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its long-term loans. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loan. The Group's policy is to maintain borrowings at fixed interest rates and floating interest rates to be appropriate with the business operation. The Group's interest rate risk to be low, due to the balance of loans bear fixed interest rates which are close to the market rate.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

							(Unit: Million Baht)
2021							
Consolidated financial statements							
Fixed interest rates							
	Within 1 year	1-5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate	
						(% per annum)	
Financial assets							
Cash and cash equivalent	1	-	151	141	293	0.10 - 0.50	
Trade and other receivables	-	-	-	1,379	1,379	-	
Restricted bank deposits	17	-	27	-	44	0.01 - 0.20	
Financial liabilities							
Short-term loans from financial institutions	105	-	-	-	105	1.00 - 2.00	
Trade and other payables	-	-	-	1,335	1,335	-	
Lease liabilities	4	9	-	-	13	1.99 - 8.88	

(Unit: Million Baht)

	2020					
	Consolidated financial statements					
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate
						(% per annum)
Financial assets						
Cash and cash equivalent	1	-	182	146	328	0.10 - 0.50
Trade and other receivables	-	-	-	949	949	-
Restricted bank deposits	135	-	24	-	159	0.01 - 0.25
Financial liabilities						
Short-term loans from financial institutions	200	-	-	-	200	1.20 - 3.05
Trade and other payables	-	-	-	1,000	1,000	-
Lease liabilities	6	12	-	-	18	1.99 - 8.88
Long-term loans	-	-	1	-	1	THBFIX plus 2%

(Unit: Million Baht)

	2021					
	Separate financial statements					
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate
						(% per annum)
Financial assets						
Cash and cash equivalent	-	-	115	2	117	0.10 - 0.40
Trade and other receivables	-	-	-	1,263	1,263	-
Restricted bank deposits	-	-	27	-	27	0.01
Financial liabilities						
Short-term loans from financial institutions	40	-	-	-	40	1.50
Trade and other payables	-	-	-	1,276	1,276	-
Lease liabilities	3	7	-	-	10	1.99 - 8.88

(Unit: Million Baht)

2020						
Separate financial statements						
Fixed interest rates						
Within 1 year	1-5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)	
Financial assets						
Cash and cash equivalent	-	-	167	3	170	0.10 - 0.50
Trade and other receivables	-	-	-	746	746	-
Restricted bank deposits	117	-	24	-	141	0.01 - 0.25
Financial liabilities						
Short-term loans from financial institutions	120	-	-	-	120	1.20 - 2.00
Trade and other payables	-	-	-	954	954	-
Lease liabilities	4	10	-	-	14	1.99 - 8.88
Long-term loans	-	-	1	-	1	THBFIX plus 2%

Liquidity risk

The Group regularly monitors the risk of liquidity and plans to manage the liquidity of the Group including maintains a level of cash and bank deposits in order to enable payment of obligations. Additionally, the Group has access to a sufficient variety of sources of funding. As a result, the Group has assessed the liquidity risk and concluded it to be low. The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:-

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	31 December 2021		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	105,000	-	105,000
Trade and other payables	1,335,282	-	1,335,282
Lease liabilities	4,406	9,797	14,203
Total non-derivatives	1,444,688	9,797	1,454,485
Derivatives			
Derivative assets: net settled	18	-	18
Total derivatives	18	-	18
	(Unit: Thousand Baht)		
	Consolidated financial statements		
	31 December 2020		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	199,500	-	199,500
Trade and other payables	1,000,346	-	1,000,346
Lease liabilities	7,608	15,797	23,405
Long-term loans	500	-	500
Total non-derivatives	1,207,954	15,797	1,223,751
Derivatives			
Derivative liabilities: net settled	95	-	95
Total derivatives	95	-	95
	(Unit: Thousand Baht)		
	Separate financial statements		
	31 December 2021		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	40,000	-	40,000
Trade and other payables	1,276,437	-	1,276,437
Lease liabilities	3,964	7,755	11,719
Total non-derivatives	1,320,401	7,755	1,328,156

Derivatives

Derivative assets: net settled	114	-	114
Total derivatives	114	-	114

(Unit: Thousand Baht)

Separate financial statements

	31 December 2020		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	120,000	-	120,000
Trade and other payables	953,569	-	953,569
Lease liabilities	6,000	13,282	19,282
Long-term loans	500	-	500
Total non-derivatives	1,080,069	13,282	1,093,351
Derivatives			
Derivative liabilities: net settled	95	-	95
Total derivatives	95	-	95

34.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

35. Capital management

The primary objective of the Group's capital is to ensure that they have appropriate capital structure in order to support their business and maximise shareholder value. As at 31 December 2021, the Group's debt-to-equity ratio was 0.92:1 (2020: 0.88:1) and the Company's was 0.91:1 (2020: 0.77:1).

36. Event after the reporting period

On 28 February 2022, the meeting of the Company's Board of Directors passed the resolution to propose Annual General Meeting of the Company's shareholders for approval the payment of a dividend for the year 2021 of Baht 0.13 per share. However, since the Board of Directors previously approved an interim dividend from profit of the year 2021 amounting to Baht 0.03 per share, the Board will propose the remaining dividend payment of Baht 0.10 per share, amounting to Baht 117.57 million. The payment of such dividend shall be made within May 2021.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2022.

Attachment 1

Board of Director



Mr. Sompong Kangsawiwat



Assoc.Prof.
Pitipat Chataccaraphat (Ph.D)



Mr. Chattaphum Khantiviriya



Assoc.Prof.Prapart Praisuwanna



Mr. Vuthichai Duangratana (Ph.D.)



Mr. Opas Tiyawattanaroj



Mr. Kittirat Mekmanee



Ms. Panida Sawatwannarat



Ms. Nongnuch Temeesrisuk

Mr. Sompong Kangsawiwat

Chairman / Chief Executive Officer /
Chairman of Risk Management Committee /
Chairman of Strategic Committee /
Authorized Director

Date of Appointed

8 August 2005 (16 Years 8 Month)

Age : 56 years old

Nationality : Thai



Education

- MBA in Marketing of NIDA

Training

Thai Institute of Directors

- Director Accreditation Program Class 50/2006
- Director Certification Program Class 154/2011
- Role of the Chairman Program (RCP) Class 27/2012
- Financial Statements for Directors (FSD) Class 15/2012

Other Training

- Executive Course Capital Market Academy Class 20

Experience

Listed Company 1 Company

- 2005-Now Director
Communication & System Solution PCL.
- 2011-Now Chief Executive Officer
Communication & System Solution PCL.
- 2012-Now Chairman of Risk Management Committee
Communication & System Solution PCL.
- 25 Feb 2019-Now Chairman
Communication & System Solution PCL.
- 25 Feb 2019-Now Chairman of Strategic Committee
Communication & System Solution PCL.

Other Company (Not listed company) 2 Companies

- 1997-Now Director
C.S.S.Energy Co.,Ltd
- 2015-Now Director
Neon Worx Communication (Thailand) Co.,Ltd

Percent of Company's shares At 31 Dec 2021

208,148,836 Shares (17.70% of paid up capital and total voting rights)

Criminal record in the past 10 years

-None-

Assoc.Prof.Pitipat Chataccaraphat (Ph.D)

Independent Director / Chairman of the Audit Committee /
Chairman of the Nomination and Remuneration & Corporate Governance /
Member of Strategic Committee

Date of Appointed

8 August 2005 (16 Years 8 Month)

Age : 60 years old

Nationality : Thai



Education

- Ph.D in Accounting The Manchester Metropolitan University, UK

Training

Thai Institute of Directors

- Director Accreditation Program Class 37/2005
- Director Certification Program Class 60/2005

Experience

Listed Company 1 Company

- | | |
|------------|---|
| • 2005-Now | Independent Director
Communication & System Solution PCL. |
| • 2013-Now | Chairman of the Audit
Communication & System Solution PCL. |
| • 2013-Now | Chairman of the Nomination Remuneration
& Corporate Governance
Communication & System Solution PCL. |
| • 2018-Now | Member of Strategic Committee
Communication & System Solution PCL. |

Other Company (Not listed company)

-None-

Percent of Company's shares At 31 Dec 2021

-None-

Criminal record in the past 10 years

-None-

Mr. Chattaphum Khantiviriya

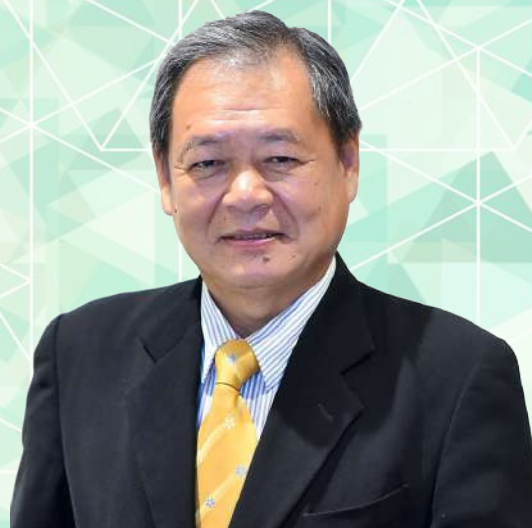
Independent Director / Member of the Audit Committee /
Member of the Nomination and Remuneration Committee /
Member of Risk Management Committee /
Member of Strategic Committee

Date of Appointed

12 September 2014 (7 Years 3 Month)

Age : 60 years old

Nationality : Thai



Education

- Master of Business Administration Kasetsart University

Training

Thai Institute of Directors

- Audit Committee Program class 8/2005
- Director Certification Program Class 100/2008
- Role of the Compensation Committee Class 6/2008

Experience

Listed Company 4 Companies

- 2014-Now Independent Director / Member of Audit Committee / Member of the Nomination, Remuneration and Corporate Governance / Member of Risk Management Committee Communication & System Solution PCL.
- 2018-Now Member of Strategic Committee Communication & System Solution PCL.
- 2013-Now Director More Return PCL
- 2019-Now Director IT City PCL
- 2020-Now Director Global Service Center PLC.

Other Company (Not listed company)

-None-

Percent of Company's shares At 31 Dec 2021

-None-

Criminal record in the past 10 years

-None-

Assoc.Prof.Prapart Praisuwanna

Independent Director /
Member of Audit Committee /
Member of Strategic Committee

Date of Appointed

1 January 2015 (7 Years)

Age : 65 years old

Nationality : Thai



Education

- Master of Engineering (Electrical Engineering)
King Mongkut's Institute of Technology Ladkrabang

Training

Thai Institute of Directors

- Director Certification Program Class 119/2009
- Financial Statements for Director 20133

Other Training

- Leadership Development Program, 1997
- Public Directors Institute (PDI) Class 6/2011
- Senior Executive Program, Capital Market Academy (Class17)
- Advance Master Management Program (AMM), Class 1

Experience

Listed Company 3 Companies

- 2015-Now
Independent Director /
Member of Audit Committee
Communication & System Solution PCL.
- 2018-Now
Member of Strategic Committee
Communication & System Solution PCL.
- 2013-Now
Chairman
CPT Drives & Power PCL.
- 2014-Now
Chairman of Audit Committee
Bangkok Sheet Metal PCL.

Other Company (Not listed company)

-None-

Percent of Company's shares At 31 Dec 2021

-None-

Criminal record in the past 10 years

-None-

Mr. Vuthichai Duangratana (Ph.D.)

Independent Director / Member of Audit Committee /
Member of Strategic Committee

Date of Appointed

23 February 2017 (5 Years 2 Month)

Age : 65 years old

Nationality : Thai



Education

- Ph.D.of Economy, Universite de Paris, France

Training

Thai Institute of Directors

- Director Certification Program Class 198/2014
- Advanced Audit Committee Program (AACP) Class 23/2016
- Board Nomination and Compensation Program Class 5/2018
- Design Thinking Deep Dive for Executive Board 2019

Other Training

- Executive Management Program Class 52/2007
- Defense of the state, private and political Class 6/2013
- Financial & Fiscal Management Program ' For Senior Executive Class 1/2014
- Executive Course Capital Market Academy Class 20/2015
- Global Business Leadership Program Class 2/2017
- Tourism Management Program for Executives (TME) Class 1/2017

Experience

Listed Company 2 Companies

- 2017-Now Independent Director /
Member of Audit Committee
Communication & System Solution PCL.
- 2018-Now Member of Stretagic Committee
Communication & System Solution PCL.
- 2017-Now Chairman of NRC and Director /
Chairman of Audit Committee /
Independent Director
PTG Energy PCL.

Other Company (Not listed company) 4 Companies

- 2017-Now Honorable Committee of University Council for
Academic Affair, Bangkok University
- 2017-Now Honorable Committee of University Council for
Academic Affair, Raffles International Collage
- 2018-Now Honorable Committee of University Council for
Academic Affair, Dhurakij Pundit University
- 2019-Now Minister's Advisor Ministry of Tourism and Sports
- 2019-Now Chairman of the Sub-Committee assign criteria
and Evaluate assign criteria and Evaluate
Ministry of Tourism and Sports
- 2019-Now Qualified Director in the Board of Directors
national tourism policy Ministry of Tourism
and Sports
- 2019-Now Subcommittee on Criteria and assess the performance
of the governor , Budget Expenditure Monitoring
Committee Investment budget and subcommittee
reserves Set guidelines and methods of earning
money. Sports Authority of Thailand (SAT)
- 2019-Now Board of amendments to laws and regulations of
the Tourism Authority of Thailand (TAT),
Ministry of Tourism and Sports

Percent of Company's shares At 31 Dec 2021

250,000 shares (0.02% of paid up capital and total voting rights)

Criminal record in the past 10 years

-None-

Mr. Opas Tiyawattanaroj

Director / Executives Director /
Member of Risk Management Committee /
Member of Strategic Committee /
Managing Director Telecommunication Group

Date of Appointed

8 August 2005 (16 Years 8 Month)

Age : 56 years old

Nationality : Thai



Education

- MBA of Bangkok University

Training

Thai Institute of Directors

- Director Accreditation Program Class 50/2006
- Director Accreditation Program Class 92/2011

Experience

Listed Company 1 Company

- 2005-Now Director
Communication & System Solution PCL.
- 2011-Now Executives Committee
Communication & System Solution PCL.
- 2012-Now Member of Risk Management Committee
Communication & System Solution PCL.
- 2013-Now Managing Director Telecommunication Group
Communication & System Solution PCL.
- 2018-Now Member of Strategic Committee
Communication & System Solution PCL.

Other Company (Not listed company) 1 Company

- 2015-Now Director
Neon Worx Communication (Thailand) Co.,Ltd

Percent of Company's shares At 31 Dec 2021

58,339,711 Shares (4.96% of paid up capital and total voting rights)

Criminal record in the past 10 years

-None-

Mr. Kittirat Mekmanee

Director / Executives Director /
Member of Risk Management Committee /
Member of Strategic Committee /
Managing Director Business Group

Date of Appointed

8 August 2005 (16 Years 8 Month)

Age : 55 years old Nationality : Thai



Education

- MBA of University of the Thai Chamber of Commerce

Training

Thai Institute of Directors

- Director Accreditation Program Class 50/2006
- Director Accreditation Program Class 92/2011

Other Training

- Public Economy Administration for Executives, Class 11, King Prajadhipok's Institute
- Democratic politics for senior management King Prajadhipok's Institute (Class 20)

Experience

Listed Company 1 Company

- | | |
|------------|---|
| • 2005-Now | Director
Communication & System Solution PCL. |
| • 2011-Now | Executives Committee
Communication & System Solution PCL. |
| • 2012-Now | Member of Risk Management Committee
Communication & System Solution PCL. |
| • 2013-Now | Managing Director Business Group
Communication & System Solution PCL. |
| • 2018-Now | Member of Strategic Committee
Communication & System Solution PCL. |

Other Company (Not listed company) 1 Company

- | | |
|------------|----------------------------------|
| • 1997-Now | Director
C.S.S.Energy Co.,Ltd |
|------------|----------------------------------|

Percent of Company's shares At 31 Dec 2021

30,058,756 Shares (2.56% of paid up capital and total voting rights)

Criminal record in the past 10 years

-None-

Ms. Panida Sawatwannarat

Director / Executives Director / Member of Nomination,
Remuneration and Corporate Governance Committee/
Member of Risk Management Committee / Member of Strategic Committee /
Managing Director Financial & Control Group

Date of Appointed

8 August 2005 (16 Years 8 Month)

Age : 58 years old

Nationality : Thai



Education

- MBA, Kasetsart University

Training

Thai Institute of Directors

- Director Accreditation Program Class 37/2005
- Director Certification Program Class 60/2005

Other Training

- Advanced Certificate Course in Public Economics Management for Executives No.12 of KPI
- Technical for preparation and submission of B1As the announcement of the NACC 2013 from FAP
- High-level finance and public finance management Class 3/2016
- Strategic CFO in Capital Markets 2017
- Course impact of new financial reporting standards about contracts made with customers and effective rental contracts To prepare financial reports of the company
- TLCA CFO CPD Course No. 6/2021 titled "ESG Integration in Sustainable Investing"

Experience

Listed Company 1 Company

- | | |
|------------|---|
| • 2005-Now | Director
Communication & System Solution PCL. |
| • 2011-Now | Executives Committee
Communication & System Solution PCL. |
| • 2012-Now | Member of Risk Management Committee
Communication & System Solution PCL. |
| • 2013-Now | Managing Director Financial & Control Group
Communication & System Solution PCL. |
| • 2018-Now | Member of Strategic Committee
Communication & System Solution PCL. |

Other Company (Not listed company) 2 Companies

- | | |
|------------|--|
| • 1997-Now | Director
C.S.S.Energy Co.,Ltd |
| • 2005-Now | Director
Neon Worx Communication (Thailand) Co.,Ltd |

Percent of Company's shares At 31 Dec 2021

3,341,688 Shares (0.28% of paid up capital and total voting rights)

Criminal record in the past 10 years

-None-

Ms. Nongnuch Temeesrisuk

Director / Executives Director /
Member of Strategic Committee /
Managing Director Corporate Governance Group /
Corporate Secretary

Date of Appointed

8 August 2005 (16 Years 8 Month)

Age : 58 years old Nationality : Thai



Education

- Bachelor of Accounting of Ramkhamhaeng University

Training

Thai Institute of Directors

- Director Accreditation Program Class 37/2005
- Director Certification Program Class 60/2005
- Advanced Audit Committee Program Class 20/2014

Other Training

- Certificate of "Basic and regulations of Company listed Class 6/2011
- Company Secretary Program Class 27/2008

Experience

Listed Company 1 Company

- 2005-Now Director
Communication & System Solution PCL.
- 2011-Now Executives Committee
Communication & System Solution PCL.
- 2013-Now Managing Director Corporate Governance Group
Communication & System Solution PCL.
- 2018-Now Member of Strategic Committee
Communication & System Solution PCL.

Other Company (Not listed company) 2 Companies

- 1997-Now Director
C.S.S.Energy Co.,Ltd
- 2005-Now Director
Neon Worx Communication (Thailand) Co.,Ltd

Percent of Company's shares At 31 Dec 2021

1,502,928 Shares (0.13% of paid up capital and total voting rights)

Criminal record in the past 10 years -None-

Scope of Authority and Responsibilities of the Corporate Secretary

1. Preparing and storing important documents
 - a) The registration of The Company's directors
 - b) The invitation letter and minutes of the Board of Directors Meeting
 - c) The invitation letter and minutes of the Shareholders Meeting
2. Reports of conflicts of interest filed by directors and executives.
3. Executing additional duties about governance as assigned by the Board of Directors.

Persons assigned to be directly responsible for overseeing bookkeeping

Being an accountant who has qualifications and conditions of being an accountant in accordance with the rules prescribed in the notification of the Department of Business Development.

Mrs.Nutcharee Pukeaw

Assistant Managing Director of Accounting

Date of Appointed

Year 2011 (10 years)

Age : 52 years old

Nationality : Thai



Education

- MBA. Ramkamhaeng Universit
- Bachelor of Business Administration in Accounting
Ramkamhaeng University

Training

- Professional Controller Ceetification Program Class 1/2013
- Financial Model 1-Fundamentals of Finance Class 1/2015
- Access to key financial reporting standards and understanding of auditors' reports 2/58
- Business Combinations and Advanced Consolidated Financial Statements (Workshop) For members and guests.
- Accounting Management for Planning and Decision Class 3/2016
- Deferred Income Tax : Accounting Principles and Taxes, Similarities and Differences, Class 2/2017
- Build understanding of the drafting principles of Financial Reporting Standard TFRS 16, version 2/18
- Tackle new revenue recognition criteria according to TFRS 15 for next business, 3/19 edition.
- Taxation on international transactions Class 1/2019
- Management accounting for planning and decision making Class 2/2019
- Keypoint that the bookkeeper needs to know in the preparation of accounts and the auditor's report.
- Accounting Practices for Foreign Currency Transactions
- Summary of TFRS for NPAEs Needed and Changes in 2021
- Financial Reporting Trends 2021
- Finance Transformation Consol & Reporting
- Digital Assets
- Investment/M&A
- Trends, MD&A direction, key points to consider and strategies for successful M&A.

Experience

Listed Company 1 Company

- 2011-2017 Account Manager
Communication & System Solution PCL.
- 2018-Now Assistant Managing Director of Accounting
Communication & System Solution PCL.

Other Company (Not listed company)

-None -

Percent of Company's shares At 31 Dec 2021

227,421 Shares (0.019% of paid up capital and total voting rights)

Criminal record in the past 10 years

-None-

Attachment No.2: Details of the Directors or Executives of the Company, subsidiaries, associates and related company

Subsidiaries										
	Mr.Sompong Kangsawiwat	Mr.Opas Tiyawattanaoj	Mr.Kittirat Mekmanee	Ms.Panida Sawatwannarat	Ms.Nongnuch Temeesrisuk	Assoc.Prof. Pitipat Chataccaraphat (Ph.D.)	Mr.Chattaphum Khantiviriya	Assoc.Prof. Prapart Praisuwanna	Mr.Vuthichai Duangratana (Ph.D.)	Mrs.Nutcharee Pukeaw
Communication & System Solution PLC.	C,I,IV,RI,X	I,V,RII,X	I,V,RII,X	I,V,VII,RII,X	I,V,X,S	II,VI	III,VII,RII	III	III	A
C.S.S. Energy Co.,Ltd.	C		I	I	I					
Neonworx Communications (Thailand) Co.,Ltd.	C	I		I	I					
Namsor Hydro Power Co.,Ltd.	I									

Remark :

C - Chairman of the Board of Director

II - Chairman of the Audit Committee

IV - Chairman of Executives Committee

VI - Chairman of the Nomination and Remuneration & Corporate Governance

RI - Chairman of Risk Management

S - Corporate Secretary

A - Account Manager

I - Director

III - Member of Audit Committee

V - Executives Committee

VII - Member of Nomination and Remuneration & Corporate Governance

RII - Member of Risk Management

X - Executives

Attachment No.3: Details of Head of Internal Audit

As the Audit Committee Meeting No.1/2021 held on 25 February 2021, Approved The Riskless Solutions Co.,Ltd (IA) that is an independent company to be Inspect and keep track of the company's internal control system. The Riskless Solutions Co.,Ltd Internal Audit assigned Mr.Sornron Thongprasert to be the main responsible in the performance of duties, the internal auditor of the company. Details are as follows;

Name - Surname	Age	Education	Shares in company %	Relation among Family with other Directors and Executives	Experience in the past		
					Period	Position	Company
Sornron Thongprasert	44	- Bachelor of Business Administration with a major in Accounting, Burapha University - Master of Mass Communication Administration (MCA), Thammasat University <u>Certificate</u> - Certified Internal Auditor (CIA) - CAC SME Auditor (CAC SME IA Certification) - Forensic Accounting Certificate (FAC)	None	None	2016 – Present	Managing Director	Riskless Solutions Co.,Ltd., co-sourcing or outsourcing internal audit, risk management and assessing internal control system services.
						Internal Audit Outsource	<u>Public Company</u> - Communication & System Solution PLC and affiliated company ("CSS") - Agripure Holdings PCL and affiliated company ("APURE") - Delta Paint Public Company Limited - Tirathai Public Company Limited ("TRT") <u>Non-Public Companies</u> - Eagles Air & Sea (Thailand) Company Limited - River Kwai International Food Industry Company Limited

Name - Surname	Age	Education	Shares in company %	Relation among Family with other Directors and Executives	Experience in the past		
					Period	Position	Company
		<u>Training</u> - Adopting data science & automation in internal audit (IIAT) - IA Clinic-Agile Auditing , Top Risks 2021 & IT Audit Roles (IIAT) - CAC Road to Certify (IOD) - CAC SME Clinic (IOD)			1999 - 2016		- CTI Food Supply Company Limited - DSJV Chemical Company Limited - Grandline Innovation Co., Ltd. - Thonglor Pet Hospital Co., Ltd. <u>Foundation</u> The Mae Fah Luang Foundation Under Royal Patronage
						Internal audit manager	Well known in garment and textile industry company.
						Internal audit director	Well known in feed, farm and food industry public company.
						Senior Internal audit manager	Well known in hospitality industry public company.
						Internal audit manager	Manufacturing of the carpet industry public company.
						Internal audit supervisor	Asia's leading health and beauty retailer.

Attachment No.4 Assets used in business

Property, plant and equipment

The Company and its subsidiaries have land, plant and equipment. listed as follows:

Items	Net book value (THB Million)	Type of ownership	Obligation
	31 Dec 2021		
1. Land consists of - Land title no. 93838, area 12-0-49 rai, location: Sriracha district, Chonburi. - Land title no. 14481, area 25 square wah, location: Pakkred district, Nonthaburi. - Land title no. 2404, area 13-2-74 rai, location: Pakkred district (Talad Kwhuan), Nonthaburi (acquired on 4 February 2013) has land divided into 2 plots on 27 August 2018 - Land title no. 88429, area 5-0-39 rai - Land title no. 88430, area 8-2-16 rai - Land title no. 16288, area 104 square wah, location: Ladprao district, Bangkok. - Land title no. 16289, area 104 square wah, location: Ladprao district, Bangkok. - Land title no. 16290, area 60 square wah, location: Ladprao district, Bangkok.	115.70	Under ownership of the Company	mortgaged
2. Building consists of - Office building and storey warehouse, No.59 Moo 7, Bangphra, Sriracha, Chonburi 20110. - Office Building (Head Office) No.329 Moo.3, Banmai, Pakkred, Nonthaburi. - Office Building No.10 10 Soi Nakniwas 47, Ladphrao, LatPhrao, Bangkok. - Building No.53/343 Bang Phut,Pakkred, Nonthaburi.	139.58	Under ownership of the Company and its subsidiaries	mortgaged
3. Office decorating items	2.58	Under ownership of the Company and its subsidiaries	None
4. Tools and equipment	3.44	Under ownership of the Company and its subsidiaries	None
5. Office equipment	3.56	Under ownership of the Company and its subsidiaries	None

Items	Net book value (THB Million)	Type of ownership	Obligation
	31 Dec 2021		
6. Vehicles	16.99	Under ownership of the Company/purchaser/ financial lessee	None
7. Equipment installed as per contract	1.95	Under ownership of the Company	None
8. Asset under transfer	0.05	Under ownership of the Company	None
Total	283.85		

Remarks :

1. Year 2021, the Company has mortgaged land and buildings which are owned by the Company. Under the total mortgage limit of approximately 198 million baht with financial institutions.
2. As at December 31, 2021, certain plant and equipment items have been fully depreciated. but still active The book value before deduction of accumulated depreciation of such assets amounted to approximately 93 million baht, respectively.
3. Some assets are assets under finance leases and hire purchase contracts in which the Company is the financial lessee and the lessee. The net book value as of December 31, 2021 is approximately 24 million baht.
4. The equipment installed as per contract are lights and energy-saving bulbs under Smart Way Project launched by the Energy Engineering Institute, Kasetsart University and the Electricity Development Division, Provincial Electricity Authority. The two institutes jointly determined the policy on saving public energy. The Company was assigned to invest in installation of energy-saving lights and 10 year maintenance. The yield upon investment is equal to value of the energy saved during such period.

Real estate for investment

As of 31 December 2021, the Company and its subsidiaries have real estate for investment which can be shown as follows:

Items	Net book value (THB Million)	Type of ownership
	31 Dec 2021	
1. Office Building area 104 Square Meters and No.10 Soi Nakniwas 47,Ladphrao, LatPhrao, Bangkok, and 60 square wah location: Ladprao district, Bangkok.	1.54	Under ownership of the subsidiary

Material part of the contract

1) Lease contract of warehouse

Lease contract of warehouse in Pakkred district, Nonthaburi

Parties	:	Mrs. Pornpimol Dechkhamhaeng (as a "Lessor") a person not related to the Company
	:	Communication & System Solution Public Company Limited (as a "Lessee")
Date of contract	:	1 January 2019
Asset of lease	:	Land, land title no. 22687, 22695, 22696, located on Tiwanont Road, Ban Mai Sub-district, Pakkred District, Nonthaburi, the area approximately 600 sq. wah. The purpose is to use the land for storage.
Rental rate	:	35,000 THB /month.
Term of contract	:	3 years start from 1 January 2019 to 31 December 2021
Conditions of contract	:	The Lessor agrees to renew the contract for another period of 3 years from the date of expiration under the same conditions.

Attachment No.5 Policy and practice guidelines for corporate governance and business ethics.

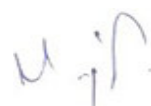
The Company has established policies and guidelines for good corporate governance and business ethics in accordance with the principles of good corporate governance for listed companies for the year 2017 to be a manual that sets guidelines for the conduct of directors, executives and employees of the company at all levels. The Board of Directors has reviewed the corporate governance policy and business ethics annually to have a review of the details set out in the policy and business ethics to be up-to-date and to comply with good corporate governance principles for listed companies.

However, shareholders can view details of corporate governance policy. (full version) and business ethics (full version) more conveniently through the company's website [www.cssthai.com/Investor Relations/Corporate Governance](http://www.cssthai.com/Investor%20Relations/Corporate%20Governance).

Attachment No.6 Report of the Audit Committee

The Audit Committee has been assigned to perform duties and responsibilities in accordance with the charter determined by the Board of Directors with significant duties and responsibilities, such as review for accurate and reliable financial reporting reviewing to have appropriate internal control and internal audit systems. Review of compliance with relevant laws consider and propose to appoint the auditor and determine the remuneration of the auditor of the company and subsidiaries. Which may propose to appoint the same auditor or can terminate the same auditor consider the acquisition and dispose of assets. Including connected transactions or transactions that may have conflicts of interest to be in accordance with the law. Reviewing and giving comments to plans and scope of internal auditing and operations of the internal auditor as well having the management set up a process for reporting clues or complaints of stakeholders appropriately. For the performance report of the Audit Committee for the year 2020 which can be summarized as follows;

1. Has reviewed the quarterly and annual financial statement and consolidated financial statement and its subsidiaries for 2021 which was of opinion that The Company correctly and adequately prepared and disclosed the essence information in the financial statement pursuant to the general accepted accounting standards.
2. Has defined the scope of the audit to cover the major risks and the adequacy of the internal control of the Company and its subsidiaries. However, it is advisable to Executives to fix bugs and improve the management system and provide more appropriate. In the year 2021, appointed of the Riskless Solutions Co.,Ltd (the internal Audit) which is 2an independent company from the outside Responsible for checking and monitoring the internal control of the company. Riskless Solutions Co., Ltd appointed Mr.Sornron Thongprasert is responsible for the major in the internal audit of the company. However, The Company has set the internal auditing sector of the company. The Committee assigned Miss Panida Sawatwannarat representing to the internal auditor by liaise with the firm performing which the Company hires to perform on internal Audit Unit reports its auditing work and give advice to the Audit Committee Directly to improve upon the recommendation of the independent evaluation other internal control system.
3. Reviewed and gave importance to the administration in accordance with the principles of good corporate governance in accordance with the relevant laws. By emphasizing the accuracy and completeness of information disclosed to all stakeholders equally and able to refer and examine it transparently.
4. Has reviewed the acquisition and disposition of assets transaction Including connected transactions or transactions that may have conflicts of interest The benefits occurred in the year 2021 and saw that the transaction had normal business prices and terms in general.
5. Has conducted self-assessment of the audit committee both group and individual in the year 2021 by jointly considering the evaluation results and specify ways to improve work efficiency and effectiveness.
6. Has considered nominated the auditors and Remuneration of auditors fee for the year 2021 by the auditor selected features and performance remained good throughout. The Audit Committee preferred to the Board of Directors to propose to the Shareholders' Meeting for consideration and approval to appoint Mr.Preecha Arunnarat,certified public accountant registration no. 5800; or Miss.Siraporn Ouaanunkun,certified public accountant registration no. 3844 or Mrs.Chonlaros Suntiasvaraporn, certified public accountant registration no. 4523 of E.Y. Office Limited, Qualified as an auditor of a listed company in accordance with the regulations of the Securities and Exchange Commission. to be the auditor of the Company and its subsidiaries The audit fee for the year 2021 for the company is 1,950,000 baht and the audit fee for the subsidiary is 955,000 baht, totaling 2,905,000 baht, which is equal to the year 2020, which is considered an appropriate remuneration.
7. The audit committee can perform its duties according to the charter without being limited by scope. Able to request information without restriction, It is also the person who approves the appointment, transfer, termination of the head of the internal audit department or other department responsible for the internal audit.
8. Audit Committee There are 4 meetings in the year 2021, with the Chairman of the Audit Committee and the members of the committee All four of them are independent directors. And attended every meeting Which accounts for 100% of the attendance in the year 2020 and reports the operation to the Board of Directors on a quarterly basis).The Audit Committee is independent in practice according to the assigned mission by meeting with the executives who were involved and discuss with the external auditor on a quarterly basis for information on financial statements and internal controls of accounting without experiencing issues or significant malfunction whatsoever.



(Assoc.Prof.Pitiphat Chataccarapat)

Chairman of the Audit Committee



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