ASEFA PUBLIC COMPANY LIMITED

ASEFA PUBLIC COMPANY LIMITED
ANNUAL REGISTRATION STATEMENT
FORM 56-1 ONE REPORT



ANNUAL REPORT 2022

www.asefa.co.th

Annual Report 2022

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Message from the Board of Directors

In 2022, the company faced challenges from economic changes as well as environmental factors such as the Russian and Ukrainian wars, the spread of the COVID-19 virus, raw material fluctuation and price increases, and rising inflation, which is an important factor causing operators to incur higher costs and has a direct impact on overall economic growth in the country and around the world.

Due to the aforementioned uncertain economic situation, the Company has closely monitored such situations and continues to conduct business with caution. In the past year, the Company and its subsidiaries net profit decreased from the previous year. This is a result of increasing costs of goods and services due to the volatile main raw materials and the significant price increase. Including the additional cost of the project that takes longer to complete than the projected plan. There is also an increase in expenses related to the staff and an increase in the allowance for debtors from the previous year. Due to the impact of the construction industry, the business has problems with increasing costs and a lack of cash flow.

The business operations of the company continue to follow the trend of a changing world by focusing on strengthening business and enhancing process efficiency in all dimensions, along with creating the necessary foundation for sustainable future growth through driving strategies in 3 main areas: Growth Strategy; by focusing on business expansion, partners, products, and services, and increasing production capacity, Management Strategy; with the development of various systems and processes by bringing new technologies and innovations used to make management more efficient and Personnel Strategy; by restructuring the organization to be in line with the direction and goals of the company. Including increasing the efficiency and capability of the employee by training to develop the knowledge and skills of employees to be professional continuously and also to create a competitive advantage and be able to grow sustainably in every changing situation.

On behalf of the Board of Directors, executives, and employees, I would like to thank all shareholders, joint ventures, partners, business partners, customers, and related parties who have always supported the operations of the company, including all employees who devote their energy to drive the organization towards goals and success together. And please be confident that the company will continue to strive to develop the organization to grow with quality and conduct business with regard to the environment, society, and good corporate governance, ready to deliver valuable products and services that provide maximum benefits to all groups of stakeholders continuously and sustainably.

(Mr. Soracit Phungsuk)
Chairman

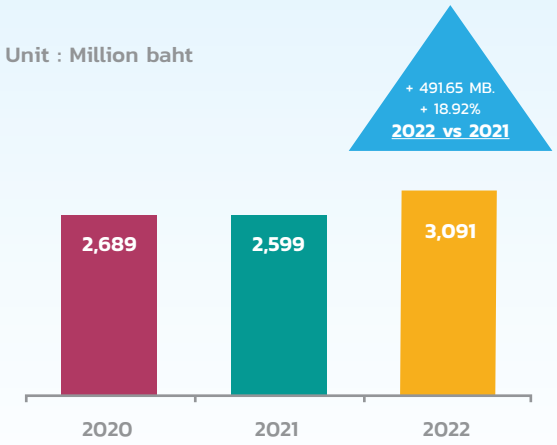
(Mr. Phaiboon Ungkanakornkul)
Chairman of the Executive Committee

Financial Highlight

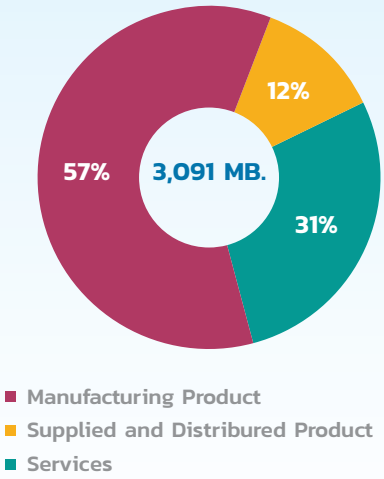
For the Fisical year ended December 31st	Consolidated Financial Statements			Separate Financial Statements		
	2022	2021	2020	2022	2021	2020
Stock Data						
Par value (Baht)	1.00	1.00	1.00	1.00	1.00	1.00
Book value (Baht)	2.90	2.95	2.99	2.87	2.91	2.95
Earning per share (Baht) *	0.19	0.25	0.40	0.19	0.25	0.38
Operating (Unit: million baht)						
Revenues from sales and service	3,090.66	2,599.01	2,688.89	2,983.42	2,552.45	2,606.37
Total income	3,118.52	2,632.10	2,712.35	3,018.80	2,588.04	2,628.99
Net profit (Equity holders of the Company)	103.33	138.34	218.50	101.48	133.69	207.30
Balance Sheet (Unit: million baht)						
Current assets	2,094.95	1,585.06	1,694.61	1,994.26	1,480.85	1,643.85
Total assets	2,920.63	2,471.83	2,475.39	2,882.06	2,430.58	2,441.89
Current liabilities	1,259.07	798.12	785.25	1,244.39	778.59	778.12
Total liabilities	1,336.89	859.66	833.64	1,318.00	838.53	819.66
Paid-up capital	550.00	550.00	550.00	550.00	550.00	550.00
Shareholders' equity (Equity holders of the Company)	1,610.58	1,636.71	1,662.25	1,564.06	1,592.04	1,622.23
Financial Ratio						
Returns on shareholders' equity (ROE) (%)	6.36	8.39	13.51	6.59	8.32	13.09
Returns on fixed assets (%)	20.37	25.76	38.79	18.38	24.05	36.45
Returns on assets (ROA) (%)	4.94	6.86	11.11	4.81	6.78	10.75
Gross profit margin (%)	17.21	18.48	21.39	17.30	18.59	21.80
Net profit margin (%)	3.31	5.26	8.06	3.36	5.17	7.89
Current assets ratio to items of current liabilities (time)	1.66	1.99	2.16	1.60	1.90	2.11
Liquidity ratio to liabilities / Quick ratio (time)	1.11	1.22	1.34	0.98	1.15	1.25
Debt ratio to shareholders' equity (D/E) (time)	0.83	0.53	0.50	0.84	0.53	0.51

Financial Highlight

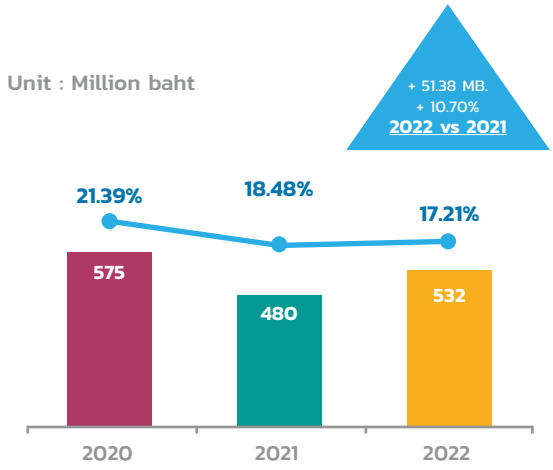
Revenue from Sales and Services



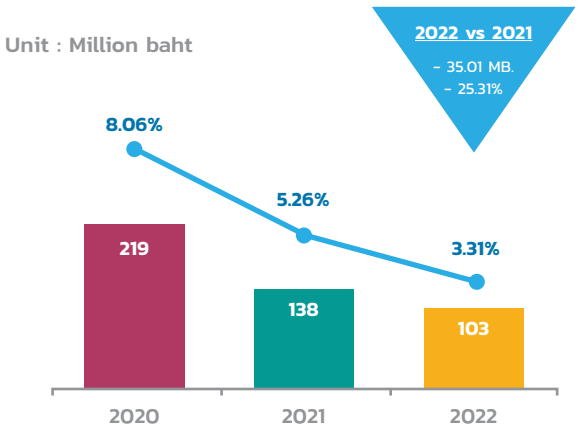
Revenue from Sales and Services Breakdown



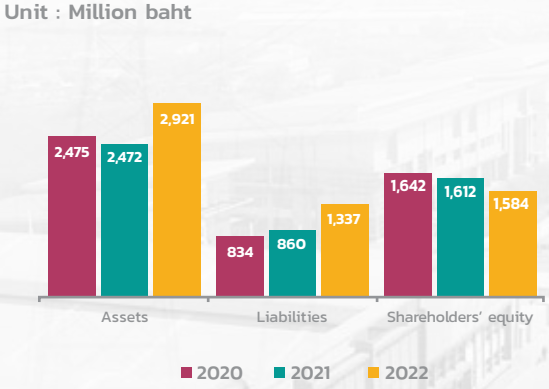
Gross Profit / Gross Profit Rate



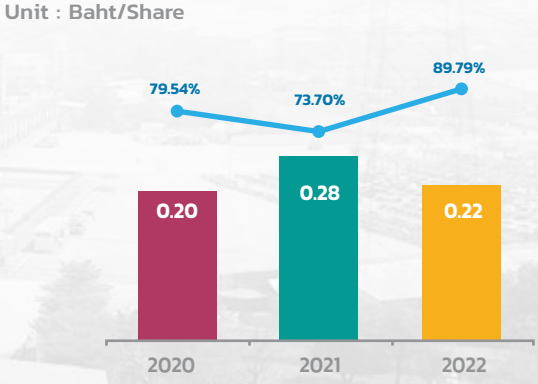
Net Profit / Net Profit Rate



Financial Status



Dividend Per Share



Part 1
Business Operation and Operating Results

1. Organizational structure and operation of the group of companies

1.1 Policy and business overview

ASEFA Public Company ("The Company") was registered as a business on March 24, 1997, with an authorized capital of 1 million baht. The company operates the business and manufactures and supplies switchboards. The function of a switchboard is to direct and control electricity being distributed to the end users, or other electrical equipment in buildings and large industrial facilities in which a large quantity of electricity is consumed. In addition, the company also operates the business of sourcing and distributing Electrical Power Distribution products, services, and solutions.

The Company has been increasing its capital, which, on March 17, 2015, resulted in the approval to transform the Company into a public company limited at the 2015 annual ordinary shareholders' meeting, changing its name to ASEFA Public Company Limited. Registered to the Stock Exchange of Thailand in the Industrial Group, Industrial Material, and Machinery Sector, the Company started the stock exchange on August 5, 2015. Presently, the Company has an authorized and paid-up capital of 550 million baht.





VISION

Be the leader in manufacturing sourcing and
distributing Electrical Power Distribution products, services, and solutions.

MISSION

To develop technologies, innovations, products, and processes.

To develop customer's satisfaction towards the entire organization.

To develop a human resource management system and provide opportunities for employee's career growth.

To develop and create awareness in accordance with environmental responsibility, social responsibility, and good governance (ESG).

To develop relations and collaboration with new expert partners for business expansion opportunities.

To deliver sustainable and equitable yields to shareholders.



GOALS

ASEFA Public Company Limited reviews its vision, mission, and business direction annually, in order to be consistent with environmental factors and business trends in both the short and long term, with the goal of conducting business to create continuous growth and deliver appropriate returns to stakeholders sustainably. There are three operational strategies as follows:

Operational strategy

Directions and strategic plans for the Company's business operations focus on building and maintaining competitiveness sustainable business growth and preparation in various fields that will support future growth plans. The company has adopted this direction and strategic plan as a framework for operations and regular monitoring to achieve the organization's goals both in the short term and in the long term, by focusing on driving strategies in 3 main areas as follows:

1. Growth Strategy



Adhere to Grow - Partner

Invest with partners and allies in new business with growth opportunities as well as develop and expand business for continual growth as follows.

- Product Development & New Innovation
- Market Expansions focus on Key Accounts & End Users
- One Stop Services & Integrated Engineering Service
- Develop Digital Marketing
- Collaboration with new partners

2. Management Strategy



Adhere to Grow – InnoTech

Invest in the technological system and innovation to increase value and efficiency in the supply chain for the organization and its customers as follows.

- Develop an organization management system by optimizing and reducing processes that are not able to create or increase values (Lean).
- Search and develop applications and software for utilization in supply chain management in order to increase efficiency.
- Develop and improve production systems with automated machinery to increase efficiency and productivity.

3. Human Resource Strategy



Adhere to Grow – People

Enhance knowledge and competencies of human resources for professionalism, and continually develop work efficiency processes to increase capability in competition and change management.

- Implement reorganization in administration cohering to the plans and strategies of the organization.
- Promote and support the learning culture of the organization and develop entire personnel by training via ASEFA Academy continuously.
- Determine Career Path plan and Succession Plan of all departments.
- Create a proper atmosphere and environment for work through various activities in order to establish happiness and satisfaction.



Major changes and developments 1997-2021

1997-2002
Establishment & Launch of Product
- Started the operation in low voltage switchboards (1997)
- Moved factory and office to Suksawat Road
- Manufactured metal works for switchboard components and metal trunking at Samutsakorn Industrial Estate

2003-2007
Product & Marketing Development
- Achieved IS09001:2000, certified by BVQI
- Obtained license from Schneider Electric for Type Tested "Blokset/NEX"

2008-2012
Facility & Infrastructure Review
- Obtained license from Schneider Electric to assemble Type Tested "BIOSCO"
- Received IS09001:2008, certified by BVQI
- Moved factory and office to Rama 2 Road
- Launched After Sales Services

2013-2017
Product & Service Development
- Introduced integrated engineering service
- Received license for Type Tested Switchboard (ATS)
- SET-listed (2015)
- Enlarged new factory building, factory 3 and 4 (2015)

2018-Now
Sustainable Management/ Innovation & Customer Satisfaction
- Developed application "MDB Care"
- Obtained license from Schneider Electric for PIX and Prisma
- Enlarged new factory building, factory 5 and 6 (2023)
- Move toward sustainable business management (2023)

Major changes and developments in 2022



Appointed as a distributor of wires and cables from the Prysmian Group

The Company has been appointed as a distributor of wires and cables from Prysmian Group, a manufacturer and distributor of special electrical wires and cables in global standard.



Joint venture with Eteco (Thailand) Co., Ltd.

The company jointly invests with Eteco (Thailand) Co., Ltd. to operate the business of engineering system distribution, and green technology in the Aqua Mag brand, which is an innovation in the treatment of 100% chemical-free cooling water systems in industrial plants, office buildings, department stores, power plants, etc., with complete after-sales service.



Business Cooperation with TAIAN-ECOBAR TECHNOLOGY

The company imports, distributes, designs, installs, and provides complete after-sales service-Cast Resin insulated busway systems, waterproof, fireproof, and explosion-proof under the Tecobar brand.

Joint venture and establishment of Joint Venture AY Solution Co., Ltd.

The Company jointly invested and established AY Solution Joint Venture Co., Ltd., to operate underground cable and other engineering works.



Acquired a license to inspect and certify electrical systems and electrical equipment from the Department of Labor Protection and Welfare

The Company has been granted a license under Section 11 to be a juristic person providing services for inspecting and certifying electrical systems and electrical equipment from the Department of Labor Protection and Welfare.

Awards and certificates













- Outstanding Performance Award from LSE League Trick Asia Pacific (LS Electric Asia-Pacific)
- Thai Labor Standard Award Basic Level for 3 consecutive years from the Department of Labor Protection and Welfare
- Silver Shield Award and Honorary Certificate for “Zero Accident Campaign 2022” from Thailand Institute of Occupational Safety and Health (Public Organization), Ministry of Labour
- Outstanding Model Enterprise Award safety Occupational health and working environment National Award (Diamond Level) for 5 consecutive years from the Department of Labor Protection and Welfare ministry of labor
- Certificate and commemorative medal for the 100th anniversary of Socomec 100 Years Celebrate
- Receiving a plaque honoring the establishment in providing an outstanding bilateral education system from the Office of the Vocational Education Commission
- Certified Clean Food Good Taste, clean food, delicious taste from the Department of Health, Ministry of Public Health.
- Received a commemorative pin, Sor.Thor. as a person who made merit to the institute
- Partnership Award for Transport Safety from the Ministry of Labor
- Standard Award for Prevention and Solution to Drug Problems in the factory for 3 Consecutive Years from the Ministry of Labor
- Awards honoring establishments in managing bilateral education to standard quality pairs from Bang Kaew Fa Vocational College

1.2 Nature of Business

Income structure

The Group's operations are divided into 1) Manufacturing Products; 2) Supplied and Distributed Products; and 3) Services and 4) business under joint venture agreement to decommissioning of the power plant. The Company's and subsidiaries' structure of revenue between 2020 – 2022 is shown as follows.

Products	Operator	2022		2021		2020	
		MB	%	MB	%	MB	%
Manufacturing Products							
Switchboards designed and developed by the Company	ASEFA	1,041.37	33.44	772.93	29.36	967.54	35.67
Licensed Products	ASEFA	605.99	19.43	707.47	26.88	538.36	19.85
Other	ASEFA	115.73	3.71	75.99	2.89	101.66	3.75
Total Manufacturing Product Revenue		1,763.09	56.54	1,556.39	59.13	1,607.56	59.27
Supplied and Distributed Products							
Electrical and control products	ASEFA, VRT	95.86	3.07	116.82	4.44	107.46	3.96
Electrical power distribution products	ASEFA	203.04	6.51	142.15	5.40	266.06	9.81
Lighting Equipment	ASEFA	17.60	0.56	8.21	0.31	20.53	0.76
Other	ASEFA, VRT	54.44	1.75	46.63	1.77	58.90	2.17
Total Supplied and Distributed Products Revenue		370.95	11.89	313.81	11.92	452.95	16.70
Services							
Integrated engineering services	ASEFA, JV	755.35	24.22	608.38	23.11	498.92	18.39
After sales services	ASEFA	171.46	5.50	120.43	4.58	117.39	4.33
Total Service Revenue		926.81	29.72	728.81	27.69	616.31	22.72
Power plant demolition	JV	29.82	0.96	-	-	12.07	0.45
Other incomes*	ASEFA, VRT, JV	27.85	0.89	33.09	1.26	23.46	0.86
Grand Total		3,118.52	100.00	2,632.10	100.00	2,712.35	100.00

Note*

Other sources of income in 2022, consists of revenue from sales of scrap materials (copper, steel, electrical wire) of 10.64 million baht, interest income of 14.68 million baht, and rental income of 1.71 million baht, etc.

WHAT WE DO

The company's business is based on the production, distribution and installation of Electrical Power Distribution products, having Medium and Low Voltage Switchboard and Control Board as the main merchandise. The company procures and sells equipment required mainly for the electrical system, ranging from the power source to the end-point of electrical equipment or appliance. The company's product features and services can be categorized as follows:

OUR PRODUCTS AND SERVICES

- Manufacturer
- Sourcing and Supply
- System Integration
- Services



Manufacturer

Electrical Power and Control Switchboards

The company's products mainly switchboard is the electrical equipment distributing medium-to-low voltage, licensed and guaranteed by recognized standard. Other metal sheet and steel fabricate are also ours.

Asefa Model

- MV Modular SF_6 Switchgear
- MV/LV Compact Substation
- LV Main Distribution Switchboard (MDB)
- LV Sub Distribution and Final Distlbution Switchboard (SDB)
- Double Safety Door Switchboard
- Capacitor Bank
- Motor Control Center
- Control Automation Board/ Distribution Automation (DA)
- Console & Control Desk and Control Box
- Isolation Transformer Panel (AIS)
- Power Distribution Unit Panel (APDU)

(Fully) Type-Tested

Licensed Type Tested Switchboard

Low Voltage Type-Tested Switchboards

- BLOKSET
- Prisma

Medium Voltage Type-Tested Air Insulated Switchgear

- NEX
- PIX

MV/LV Type-Tested Prefabricated Compact Substation

- BIOSCO

Automatic Transfer Switch with Bypass

- ATS-Bypass

Schneider Electric Licensee

socomec Innovative Power Solutions Licensee



Sourcing and Supply

The company sources the products from leading manufacturers and distributors and offers the customers complete one-stop service as well as supporting urgent request with stored products.

Electrical and Control Components
- Switching, Controlling, Protecting, Signaling, Monitoring and Others

Electrical Power Distribution Products
- Switchgear RMU, Transformer, UPS, Capacitor, Harmonic Filter, SVG and Others

MV/LV Power and Control Connection
- Busducts, Busbar and Cable, Supporting and Trunking Connection and Termination

Others
- PV Solar Panel, Chiller & Aircon and Others









System Integration

The company specializes in designing and implementing Automation Controls Systems. We employ a proven array of project management, hardware design, software programming and commissioning services.

- Building Automation System (BAS)
- Chiller Plant Management System (CPMS)
- Industrial Automation System (SCADA PLC.)
- Lighting Control and Management System (LMS)
- Energy Management System (EMS)
- Power Quality Improvement System (PQS)
- Others



Services

With experience and expertise in electrical distribution system and equipment that can support all incoming requirements from the customers, the Company provides services in designing, Sourcing, installing, and consulting by the teams of professional engineers along with modern technology of tools.

Engineering Services

- Electrical Power Distribution
- Renewable Energy
- System MEP
- Underground Power Distribution
- HV/MV Substation
- Pumping Station
- Data Center
- Others

After Sales Services

- Modification and Upgrade
- Preventive Maintenance and Corrective Maintenance
- Spare Part Management
- Electrical System Audit and Certify
- Monitoring and Online Service
- Others



Industrial Conditions and competition

In 2022, the Thai economy has improved due to the COVID-19 disease that has subsided and is likely to return to normal. The Thai economy grew by 2.6 percent from 1.5 percent growth in 2021, which was not very high and was not widely distributed in all business sectors. At the same time, there are risks and impacts of the global economic slowdown from the Russian and Ukrainian wars, fluctuations in energy prices, continuing rising raw material prices, rising inflation, as well as interest rates that are still moving in an upward direction which affects the manufacturing industry and various business sectors, still face challenges and increasingly competitive conditions in various forms.

The Company's business operations are related to businesses that require electric power which covers many business groups, whether the electronics industry, telecommunications and data centers, business substations, hospitals, infrastructure systems, and various utilities, including businesses related to the high-tech renewable energy industry in the EEC area and the growth of the electric vehicle business that tends to follow the world's mega-trends, etc. Investmen in the public and private sectors will be the main factor to help support business operations and the growth of the company.

For the year 2023, the country's economy is expected to have a better growth trend than last year, with important supporting factors from the recovery of the tourism sector and the expansion of both private and public investment, but may still need to monitor problems and impacts from fluctuations in energy and raw material prices, inflation, and interest rates. That affects partners, and customers, causing problems with production costs and cost increases. However, due to various impact factors, the company still operates with caution, focusing on business growth through various strategies to increase market share, whether it is through business expansion and joint investment with partners involved in developing and providing products and services that respond to the needs of all customer groups continuously. This is considered a good business opportunity to support business operations and create long-term sustainability.

Sourcing products and services

1. Production

Currently, the company has its headquarters and manufacturing plant on Rama 2 Road, where its factory can produce both metal parts and assemble electric switchboards.



Address : **5 Rama 2 Road , Khok Krabue, Mueang Samut Sakhon, Samut Sakhon 74000**
Area : **43 Rai (68,800 square meter)**

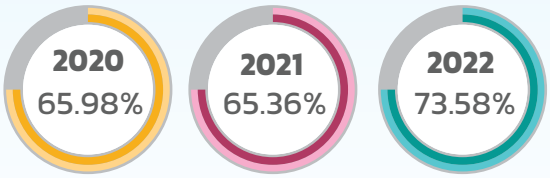
2. Production capacity and quantity

The company's product production consists of production on two main production lines:

Metalworking Manufacturing The company's metalworking production will produce electric switchboard frame, lamp work. Rail and ladder work by the company's metalworking plant Contains capacity, production quantity, and metalworking capacity utilization rate. In 2020 - 2022 as follows:

Metalworking capacity utilization rate





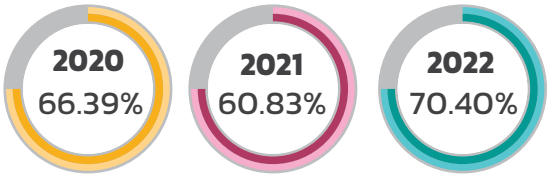
Calculation of metal working capacity utilization rate will vary according to manpower, machineryand production area

Metalworking can produce electrical switchboard frame of all sizes to be assembled in power generation, lancomb work. The total metal production capacity utilization rate in 2020 – 2022 was 65.98%, 65.36% and 73.58%, respectively.

Electrical Production Production capacity and production volume for the production and assembly of electrical works of the company in 2020 - 2022 as follows:

Electricity utilization rate





Production volume refers to the available products. electrical work and related engineering work involved in the factory only by calculating capacity Electricity production will vary according to manpower, machinery. and production area

The capacity utilization rate of electricity is 66.39% in 2020, 60.83% in 2021 and 70.40% in 2022.



3. Sourcing products and services

The Company's main raw materials consist of 2 categories: electrical equipment and metals. The Company has approved vendor list (AVL) for electrical equipment and metals category.

Table showing the proportion of orders for specific raw materials of the Company 2020 -2022

Category	2022		2021		2020	
	Amount (Million Baht)	percent	Amount (Million Baht)	percent	Amount (Million Baht)	percent
Electrical Equipment Category	**1,080.01**	**63.12**	**842.55**	**64.47**	**1,149.79**	**75.07**
- Domestic distributor	1,053.56	61.57	793.00	60.68	1,126.19	73.53
- Foreign distributor	26.46	1.55	49.55	3.79	23.06	1.54
Metal Categor	**297.02**	**17.36**	**207.06**	**15.84**	**172.51**	**11.26**
iron	**112.92**	**6.60**	**93.98**	**7.19**	**77.92**	**5.09**
- Domestic distributor	110.92	6.48	93.98	7.19	75.46	4.93
- Foreign distributor	2.00	0.12	0.00	0.00	2.46	0.16
copper	**184.10**	**10.76**	**113.08**	**8.65**	**94.59**	**6.18**
- Domestic distributor	183.17	10.71	113.08	8.65	94.59	6.18
- Foreign distributor	0.93	0.05	0.00	0.00	0.00	0.00
other	**334.07**	**19.52**	**257.38**	**19.69**	**209.33**	**13.67**
- Domestic vendor	326.39	19.07	252.47	19.32	206.24	13.47
- Foreign distributor	7.68	0.45	4.91	0.37	3.09	0.20
combine	**1,711.10**	**100.00**	**1,306.99**	**100.00**	**1,531.62**	**100.00**

Remark: The quantity of raw material purchases depends on the quantity of products and the remaining raw materials in each year.

Environmental Impact

Company's production process No pollution that affects the environment. In the past, the company no dispute Regarding the environment. The company has complied with the regulations of the Department of Industrial works, provincial industry and requirements of various agencies strictly.

4. Assets used in business

As of 31 December 2022 The Company and its subsidiaries have net worth of assets after deduction of accumulated depreciation of Baht 2,920.63 million as part of land, buildings and equipment. Total right-of-use and intangible assets totaling 610.28 Million Baht (Details of notes to the Financial Statements of the Company and its subsidiaries and reports of certified auditors for the year ended 31 December 2022)

Property Type/Characteristics	Proprietary Characteristics	Encumbrances	Net book value (Million Baht)
Land : Deeds No. 426, 30653 and 38543 Total 3 deeds, Mueang District, Samut Sakhon Province Total area 23 Rai 3 Ngan 27.6 sq.wah	owned	Mortgage on land with commercial banks with a mortgage of 750 million baht.	77.67
Land : Deeds No. 9667 and 95286 Total 2 deeds, Mueang District, Samut Sakhon Province Total area 14 Rai 3 Ngan 41.6 sq.wah	owned	no obligation	102.17
Land : Deeds No. 7947 and 7948 Total 2 deeds, Mueang District, Samut Sakhon Province Area 21 Rai 1 Ngan 30 Sq.wah	owned	no obligation	75.00
Land : Deed No. 3650,3651 Total 2 deeds Muang, Samut Sakhon Area 2 Rai 1 Ngan 50 Sq.wah	owned	no obligation	10.40
Land : Deed No. 287 Area 12 Rai 1 Ngan 47 Sq.w.	owned	no obligation	30.92
Land : Deed No. 30652,30654 Area 295 sq.wah	owned	no obligation	3.55
Buildings & Condominiums	owned	no obligation	207.53
machine	owned	no obligation	41.25
Office Supplies & Supplies	owned	no obligation	26.31
Office Decoration	owned	no obligation	4.21
vehicle	owned	no obligation	12.41
Machinery/Equipment during installation	owned	no obligation	2.09
Right-of-use assets	owned	no obligation	5.85
Intangible Assets (Computer Programs)	owned	no obligation	10.92
Total			**610.28**

5. Undeletened work

As of December 31, 2022, the Company had 3,335.53 Million Baht orders received from customers and not delivered to customers. With delivery schedule as follows:

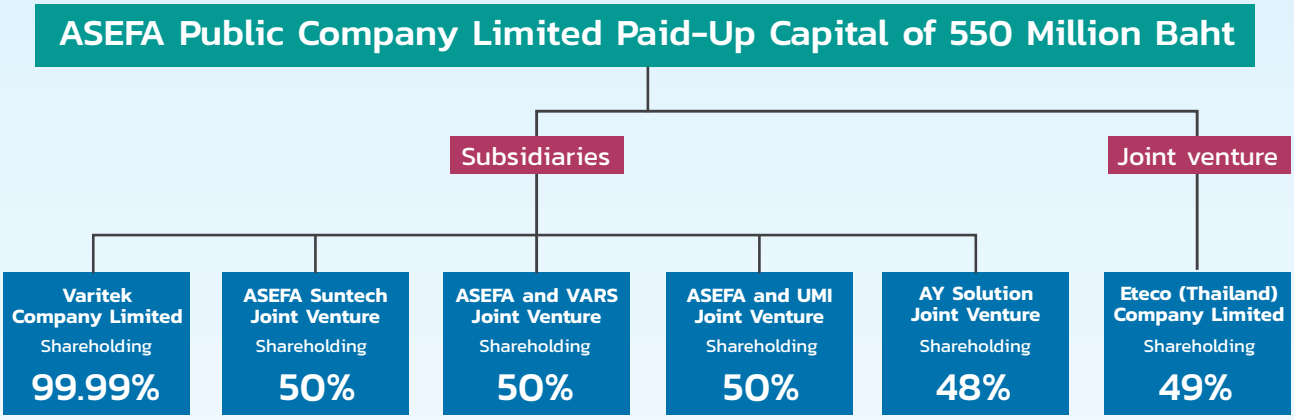
Unit: Million Baht

Product group	Expected delivery time					combine
	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Year 2024	
1. Products that the Company manufactures and sells.	875.70	450.19	261.34	26.72	16.24	1,630.18
2. Products purchased by the Company for resale	167.63	80.83	6.94	-	-	255.41
3. Service	613.41	322.90	174.67	227.59	111.37	1,449.94
Total	**1,656.75**	**853.92**	**442.95**	**254.31**	**127.61**	**3,335.53**

Remark : The time to be delivered is subject to change according to the needs of customers and project



1.3 Shareholding Structure of the Company Group



The Company and its Subsidiaries

1. ASEFA Public Company Limited ("The Company" or "ASEFA")
2. Varitek Company Limited ("VRT")
3. ASEFA Suntech Joint Venture ("The Joint Venture")
4. ASEFA and VARS Joint Venture ("The Joint Venture")
5. ASEFA and UMI Joint Venture ("The Joint Venture")
6. AY Solution Joint Venture Company Limited

Joint venture

1. Eteco (Thailand) Company Limited

Business Operations of the Company Group and related companies Details are as follows:

The Company and its Subsidiaries

1. ASEFA Public Company Limited ("The Company" or "ASEFA")

ASEFA Public Company Limited is a manufacturer, supplier and service provider for the electrical power distribution automation and smart control system, engineering related system, and after sales services. Including products for energy conservation, renewable energy, and others. The products and services of the company as follows:

1. Manufacturing Products
2. Supplied and Distributed Products
3. System Integration
4. Engineering Service Provider
5. After Sales Services

2. Varitek Company Limited ("VRT")

Varitek Company Limited (VRT) was registered as a business on November 17, 1999, operated its business by supplying electrical equipment, engaging in the business of procurement and distribution of electrical and electronic equipment related. Now, the registered capital is 15 million baht, in the total number of 150,000 shares, with the value per share of 100 baht. The Company has 149,994 shares or 99.99 percent.

3. ASEFA Suntech Joint Venture ("The Joint Venture")

ASEFA Suntech Joint Venture was established by the Company and Suntech Engineering Company Limited ("Suntech") on October 6, 2014, the agreement was drawn by both companies agree to share profits, losses, and debts occurring during the project with the ratio of 50:50 percent. The authorized capital was 2 million baht for bid the heat-generated Bangpakong power plant unit 1 and 2, and their demolition, and also management from Electricity Generating Authority of Thailand.

4. ASEFA and VARS Joint Venture (“The Joint Venture”)

On October 31, 2016, the Company signed the agreement with VARS Company Limited, to operate in the underground electrical distribution system and other related engineering. The Company holds the ratio 50.00 percent of the shares (the net profit will be divided by 50:50 percentage from each project), the initial capital was 2 million baht.

5. ASEFA and UMI Joint Venture (“The Joint Venture”)

On September 7, 2017, the Company signed the agreement with UMI Engineering Company Limited, the purpose was to operate energy saving systems and equipment, air conditioning system, and other related engineering. The Company holds the ratio 50.00 percent of the shares (the net profit will be divided by 50:50 percentage from each project), the initial capital was 1 million baht

6. AY Solution Joint Venture Company Limited

The company was registered on July 19, 2022, to operate a contractor business for electrical systems. communication and sanitation systems by holding 48.00% of the shares (profit sharing proportion from the project), the initial capital was 1 million baht.

Joint Venture

1. Eteco (Thailand) Company Limited

The company jointly invested with Eteco (Thailand) Co., Ltd. on July 27, 2022, in the engineering system service business. Technology for the environment (Green Technology), which is an innovation in the treatment of cooling water systems. holding 49.00% of the shares.

Securities and Shareholder Information

Number of registered capital and paid-up capital

The company has a registered capital of 550,000,000 baht and paid-up capital 550,000,000 baht, divided into 550,000,000 ordinary shares with a par value of 1 baht per share.

The Company does not have any other types of shares that have different rights or conditions from ordinary shares such as preferred shares or issuance and offering of shares or convertible securities to foreign investors (Thai Trust Fund) or aresuance of returns arising from underlying securities containing the Company's shares as underlying securities.

Major Shareholders

The Company's top 10 shareholders structure of the company as of January 11, 2023, which is the closing date of the registration book, with the following details:

Item	Shareholders	Number of shares hold	Percentage
1	Ungkanakornkul Group		
	1.1 Mr. Phaiboon Ungkanakornkul	173,560,000	31.56
	1.2 Ms. Wantana Thanwiset*	26,440,000	4.81
	1.3 Ms. Pornthip Ungkanakornkul	20,599,200	3.75
	1.4 Ms. Pornsuda Ungkanakornkul	182,300	0.03
	1.5 Ms. Aurapin Ungkanakornkul	140,000	0.02
	1.6 Mr. Praphan Ungkanakornkul	110,000	0.02
	Total shares held by Ungkanakornkul Group	221,031,500	40.19
2	Mr. Sa-Ngeam Klomchitcharoen	60,265,700	10.96
3	Mr. Pornchai Uraisin	59,658,900	10.85
4	Mr. Chairat Tangtivaja	58,780,000	10.69
5	N.C.B.TRUST LIMITED-CBLDN-OP CUSTODY LTD CLIENT A/C EUR	8,825,300	1.60
6	Ms. Thatsanee Chaowachiwakaset	4,601,900	0.84
7	ASEFA Public Company Limited	4,351,700	0.79
8	Mr. Amnart Rerksawat	3,369,000	0.61
9	FWD Life Insurance Public Company Limited	3,091,300	0.56
10	Mr. Pisit Suchartlikhitwong	2,525,000	0.46
Total		**426,500,300**	**77.56**

Remarks:

1. List of shareholders was compiled by Thailand Securities Depository Company Limited, the company's securities registrar.
2. *Ms. Wantana Thanwiset is the wife of Mr. Phaiboon Ungkanakornkul
3. On May 7th, 2020, the Board of Directors meeting passed a resolution approving the Treasury Stock scheme for internal financial management. The maximum amount was 120 million baht and the maximum shares to be repurchased was 35,000,000 shares or representing not to exceed 6.36% of the total paid-up shares of the company by being an acquisition in the Stock Exchange of Thailand, and there was a period of 6-months share repurchase from May 21th, 2020 to November 20th, 2020. The treasury shares were conditional to be sold after 6 months but not to exceed 3 years from the completion of the share repurchase date.
4. On December 31th, 2020, the company repurchased 4,351,700 ordinary shares under the mentioned scheme, totaling 13,496,104 baht. It was presented as a separate item in shareholders' equity and deductions in equity in the consolidated financial statements including allocated retained earnings as a reserve for treasury shares in the same amount.

Limitation of foreign shareholders

The foreign shareholders can hold the shares of the company not exceeding 49 percent of total issued and paid-up shares. As of January 11th, 2023, the foreign shareholders held 1.96 percent of total shares.

Issuance of other securities

- None-

1.5 Dividend Policy



We have dividend policy not less than 50% of net profit according to the separate financial statement after deduction of corporate income tax and all reserves as required by law. However, the dividend payment is subjected to change depending on operating performance, liquidity, economic conditions and necessity to use current capital in order to manage operations and expand the Company's business.

Dividend payment information for the year 2020 – 2022 as follows:

Detail of the Dividends Payment	The Operating Results in the Year 2021 Dividend Payout 2022	The Operating Results in the Year 2020 Dividend Payout 2021	The Operating Results in the Year 2019 Dividend Payout 2020
1. Net Profit (Loss) from Separate F/S (Baht)	133,694,798	207,300,082	138,294,953
2. Number of total paid-up shares (Shares)	550,000,000	550,000,000	550,000,000
3. Less treasury stock (Shares)	(4,351,700)	(4,351,700)	-
4. Total of ordinary shares entitled to receive dividends (Shares)	545,648,300	545,648,300	550,000,000
5. Dividend paid per share (Baht/Share)	0.22	0.28	0.20
6. Total dividend (Baht)	120,042,626	152,781,524	110,000,000
7. Dividend payout ratio (Compare to net profit) (%)	89.79%	73.70%	79.54%

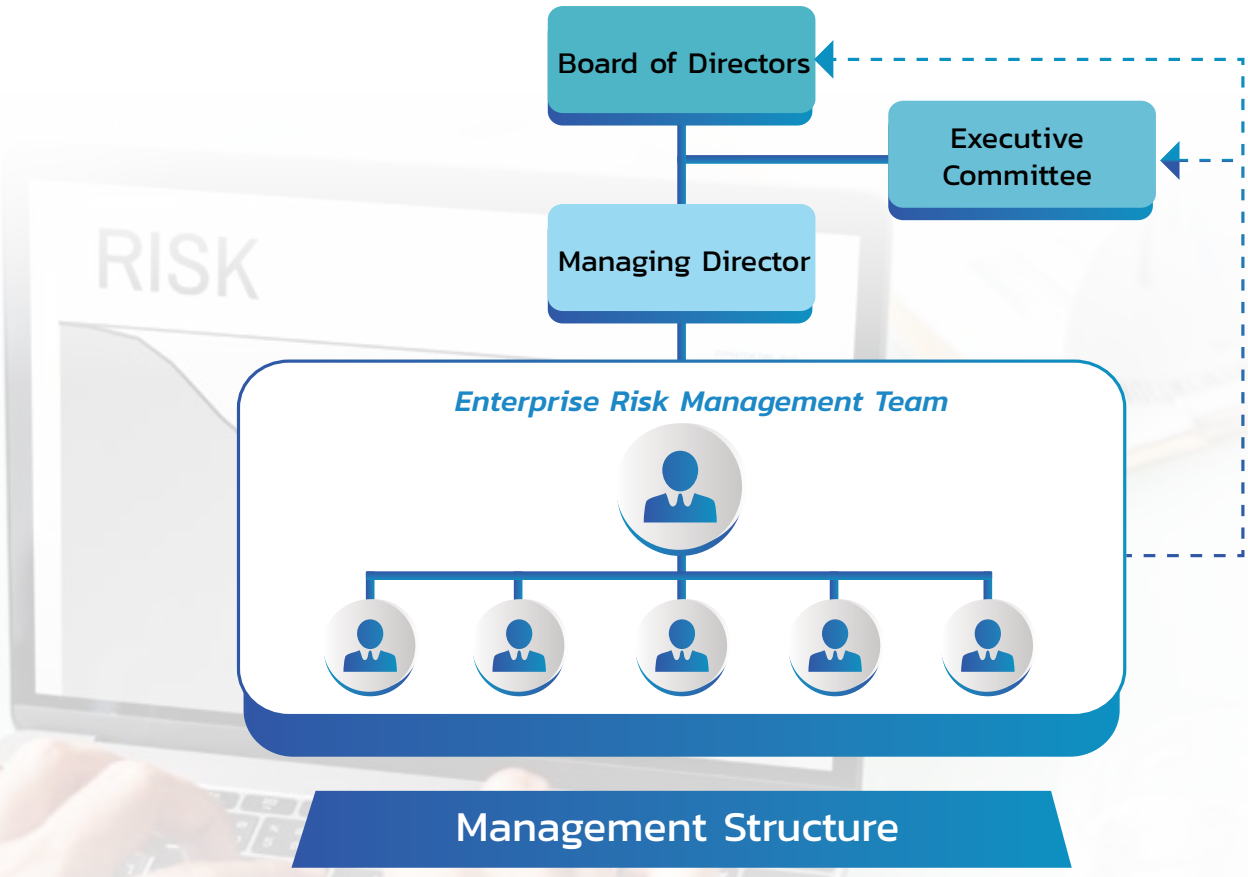
2. Risk Management

2.1 Risk management policy and plan

The Company realizes that its current operations are in the midst of rapid changes in the business environment. Therefore, the COSO ERM international standard risk management system has been used as a tool for corporate governance, to help control and reduce the impact of potential risks to an acceptable level. Including being able to meet the expectations of all groups of stakeholders appropriately. Especially customers, employees, and partners, leading to the achievement of the organization's objectives and sustainable growth. The company has the following guidelines and important risk management practices:

Corporate Risk Management Structure

Board of Directors, management, and all departments involved in risk management. The company entitles Enterprise Risk Management Team which includes department managers who will evaluate, plan, manage and monitor risk issues by reporting monthly to the Managing Director and Executive Management Committee who are authorized by the Board of Directors. They issue policy and scope of work, monitor, suggest and advise risk management. The committee should evaluate and review risk management at least once a year. The committee has to report the assessment, plan, and management results to the Executive Management Committee and Board of Directors by quarter.



Management Structure

Risk Management Culture

The Company places importance on cultivating awareness and raising awareness of the importance of risk management among executives and employees at all levels, thus promoting the creation of a good risk culture throughout the organization. In order for the organization to grow forward steadily and sustainably through compliance with risk management guidelines and policies, as well as continuous monitoring of progress at both the management and operational levels. In addition, there is continuous communication and a strengthening of the understanding of risk management through the Company's communication channels such as E-learning, newsletters, training, etc.

2.2 Risk factors on business operation

The Company is aware of internal and external risk factors that may affect business operations by setting risk management measures to mitigate potential impacts and help the company can achieve goals according to the strategic plan set, which can be summarized as follows

Enterprise Risk Factors **1**

The risk from inefficient people management

Personnel management is very important to an organization. Since personnel is an important factor in driving the organization toward its goals, the company must prepare personnel to support the business model and change working styles to strengthen competitiveness and sustainable growth.



Important Risk Management Measures

The Company determines risk mitigation plans which are

- Review of manpower determination and preparation of personnel recruitment plan with knowledge and ability, which appropriate qualifications and consistent with current and future business strategies
- Personnel development plan preparation for the high potential group (Talent Program) and establishing ASEFA Academy learning center for continuous training. Both in the form of academic techniques, hard skills, and soft skills, as well as the use of various management tools or information technology to increase work efficiency
- Change Management and continually upgrading the good corporate culture
- Establish annual personnel assessment criteria, to be consistent with the goals, strategies, and culture of the organization, to create an effective individual development plan
- Prepare policies and career path action plans as well as communicate policies and such processes to the executive and employees in the organization

Enterprise Risk Factors **2**

Risk from incompatible business plan and strategy with the company's Vision, Mission, and Objective

A business plan or strategic plan is important to an organization because such plans will help the organization to achieve its goals. The Company realizes and places importance on effective strategic planning that must be consistent with the Company's vision, mission, goals, and objectives and in accordance with various environmental factors surroundings that are changing rapidly.



Important Risk Management Measures

The Company determines risk mitigation plans which are

- Set up a process for preparing business plans or annual strategic plans and goals of the organization by setting strategies together between the CEO and senior management to come up with a comprehensive and engaging concept both short-term and long-term plans, as well as communicating corporate strategies to executives and employees in the organization
- budget planning both at the organization level and department level and requiring continuous monitoring and reporting of budget usage
- Define performance indicators that are challenging and consistent with the goals and strategic plan both at the department level and personal level along with tracking and continually evaluating performance
- Follow up and analyze external factors that affect the company (Emerging Risk) and prepare a backup plan in case the important strategic plan cannot be implemented.



Enterprise Risk Factors 3

Risk from business competition resulting in revenues and profits not meeting targets

Business environment factors are constant changes that affect business operations. Whether it is the economic and social conditions, the price of raw materials, and energy are still unstable and volatile. Including the competition of competitors both domestically and internationally increasing. Including changes in new technology investment and trade policies. This is a challenging factor for the Company's operations to achieve the set goals.



Important Risk Management Measures

The company determines risk mitigation plans which are

- Execute the sale forecast plan to be related to the annual budgeting plan together with the KPI of all involved levels with a close follow-up report.
- Developing a sales system by using technology to increase the efficiency of employees. Increasing sales channels for customers to access more conveniently
- Bring new technologies used to develop products and services Management of the supply chain system to meet the needs of customers and increase sales and marketing channels to cover all customer groups
- Development of knowledge of sales and marketing staff for use in customer management (CRM), as well as continually increasing management skills.





Enterprise Risk Factors 4

Risk from incompatible machinery and Information Technology with Operation

Information technology systems play an important role in driving the organization to be effective, especially in the current world that is constantly changing. There is high business competition. Implementation of modern information technology systems in the organization to bring benefits to the organization building strength, and increasing the efficiency of production of goods and services to gain a competitive edge and ability to compete



Important Risk Management Measures

The company determines risk mitigation plans which are

- Determine strategic plans related to the improvement and development of machinery, equipment, and information technology systems, proactively to support innovations and consistent with the strategic plan organization goals
- Prepare plans and budgets for the improvement of machinery and equipment and information technology systems both short-term and long-term by specifying the format, type, and period of use to be consistent with strategic plans, goals, and production plans
- Prepare a plan to support the use of information technology systems and drive the implementation of Digital Transformation used in business by recruiting experienced consultants for long-term planning to support the Company's operations and future business expansion



Enterprise Risk Factors 5

Risk from the violation of law, regularity, and rules

The company's business operations today are increasingly diverse and complex. Which must be related to laws, rules, and regulations related to business operations. The company has focused on the impact of damage or risks that may arise from non-compliance with laws, rules, and regulations.



Important Risk Management Measures

The company determines damage and risk mitigation plans which are

- Set up a unit responsible for legal matters as well as specifying the roles and responsibilities to effectively perform operations related to egal work
- Set up a process for collecting laws, rules, and regulations related to the operations of the organization along with communications, laws, rules, and regulations to all parties continuously and up to date
- Set a review plan, practices, and licenses to comply with legal requirements by considering current operations comparable to legal requirements, rules, and regulations and take corrective action
- Training to educate executives and employees on matters related to laws, rules, and regulations or important issues or ongoing changes in laws and regulations related to the Company's business operations.
- Set up a legal advisor or specialists in the field to help increase efficiency at the organizational level and/or at the operational level



Enterprise Risk Factors 6

Risk from corruption

ASEFA Public Company Limited is committed to conducting business honestly, ethically, and transparently by adhering to social responsibilities and all groups of stakeholders according to good corporate governance principles and business ethics Fraud Risk Management and corruption which is a part that helps the company able to operate business sustainably according to the determination and goals set.



Important Risk Management Measures

The company determines risk mitigation plans which are

- Define anti-fraud and corruption policy as a guideline for directors, executives, and employees at all levels to perform duties with honesty, integrity, and transparency and not take any action to seek benefits for oneself and connected persons. And consider reviewing the penalties as well as communicating to executives and employees in the organization continues to create awareness of such matters
- Improving operational processes by focusing on enhancing the efficiency of good internal control systems and appropriate in every operational process along with discussions with internal auditors to participate in setting up an annual audit plan or specific investigations
- Continuously promote corporate culture. Organizing activities to disseminate and communicate to raise awareness among executives and employees at all levels.





Enterprise Risk Factors 7

Risk from cooperation with new partners



The investment is an operational plan according to the Company's strategy for the organization to grow continuously and sustainably which is a matter that the Company must follow up on and manage closely. In the past, the company have joint investments with new partners continuing and has a tendency to increase both nowadays and in the future, the Company therefore has to pay attention and consider efficient management and investment allocation.

Important Risk Management Measures

The company determines risk mitigation plans which are

- Set up a careful step-by-step consideration process and have consultants or specialists in evaluating and analyze and study project feasibility, to present to the executives and the Board of Directors for their decision making
- Set up a systematic process for monitoring the progress of the project, to ensure that the Company's investment projects will be able to proceed according to the plan set
- Establish a plan to continuously recruit high-potential partners by studying relevant information before making a decision to invest, to prevent conflicts of interest
- Define rules and standards for making contract terms that are strict to prevent conflicts of interest between each other.
- Plan to prepare the organization and personnel to support new investments that will occur.
- Prepare a plan for obtaining sufficient funding sources to meet the needs and maintain appropriate financial ratios



Enterprise Risk Factors 8

Risk of disease epidemic

The situation of spread of the COVID-19 virus begins to unravel decreased disease severity. The number of vaccinated people has increased and disease



control measures have been eased. However, the virus mutation, coupled with the vaccine's efficacy in suppressing the mutant strain, remains a major risk to the health and safety of workers, It is necessary to manage to prevent the impact that will occur on the important activities of the company.

Important Risk Management Measures

The company determines risk mitigation plans which are

- Define emergency response policy (BCP), establish a business continuity plan (BCP) team structure, and establish a COVID-19 prevention and control committee.
- Closely monitor the epidemic situation, including reviewing various preventive measures in accordance with the situation
- Strict infection prevention guidelines are required for employees who need to work in the workplace must wear a mask, measure fever, wash their hands with alcohol, and keep a safe distance from infection (Social Distancing)
- Implement digital systems in health tracking and travel reporting of employees so that screening, surveillance, and prevention of the spread of the COVID-19 virus can be carried out quickly.
- Communicate policy regulations including important practices to prevent the spread of the COVID-19 virus to employees on an ongoing basis.



Enterprise Risk Factors

9

Raw material price volatility risk



The main raw materials for the company's production are iron and copper, whose trading prices change according to world market prices. This is due to the world's economic conditions that are uncertain and environmental factors that are constantly changing. The risk from fluctuations in steel and copper prices may affect the production and service costs of the Company to increase

Important Risk Management Measures



The company determines risk mitigation plans which are

- Set a policy to purchase steel and copper in advance, to suit the sales plan and production plan
- Determining the selling price of goods and services will consider the price of steel and copper in advance, and the tendency of raw material prices to be taken into consideration to accommodate changes in raw material prices.
- Closely monitoring the situation and trend of raw material prices.



3. Business Sustainability Development



3.1 Sustainability Management Policy and Goals

ASEFA intends to implement its business sustainably aligning with ESG guidelines: Environmental, Social, and Governance, with awareness of the surrounding effects along with creating value together with stakeholders in all dimensions covering economic, social, and environmental aspects for the company to gain confidence and trust from all groups of stakeholders.

The company has a strategic plan for sustainable development by adhering to the guidelines of the United Nations framework (Sustainable Development Goals: SDGs) to be applied to business operations. So that the business can grow sustainably in a rapidly changing situation taking into account the balance of economic, social, and environmental aspects under good governance







Environmental	06 CLEAN WATER AND SANITATION 07 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	• Take care of the environment and conservation natural resources. • Reduce the use of resources and energy, use resources wisely. • Reduce pollution arising from the production process and maintain a sustainable ecological balance.
Social	01 NO POVERTY 03 GOOD HEALTH AND WELL-BEING 04 QUALITY EDUCATION 08 DECENT WORK AND ECONOMIC GROWTH 11 SUSTAINABLE CITIES AND COMMUNITIES 14 LIFE BELOW WATER 15 LIFE ON LAND	• Conduct business with ethics and adhere to social responsibility. • Take care of employees fairly and equally. Create maximum safety at work • Contribute to improving the quality of life wherever we operate.
Economic	08 DECENT WORK AND ECONOMIC GROWTH 09 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 17 PARTNERSHIPS FOR THE GOALS	• Creating value with the ultimate goal, of not just making a profit but also meeting the needs and expectations of all groups of stakeholders. • Increase the capability of the organization to keep pace with changing situations. • Support all sectors to conduct business taking into account sustainable development

3.2 Stakeholder analysis in the business value chain

ASEFA attaches great importance to working with stakeholders as well as managing the sustainability of business operations and making a difference in products and services to meet the needs of customers. This reflects that the Company is committed to creating value for products and services to respond to the needs and expectations of stakeholders and create a balance between value and business value for all stakeholders. It can also build a good relationship and confidence in the operations between the company as well.

9 organizational stakeholder groups are as follows.



Stakeholders	Requirements/Expectations	Company's Response Guidelines
 Employees	• Human Rights • Health Safety and Environment Conservation • Compensation • Welfare • Business Direction and Transformation Guideline • Long Term Employee Caring • Knowledge and Ability Development, Training, Learning, and Skill Development to Enhance Potentials for Business Changes	• Human Rights Protection by Laws • Founding a unit for occupational health and safety management • Work under employment contract • Pay wage properly and able to compete in industries and businesses under the principles of good governance according to the company's business operation. • Provide welfare to employees properly both operational welfare and supporting welfare • Survey employees' satisfaction toward the Organization. Satisfaction Survey • Performance Assessment once a year. • Employees' related information and news notification via channels, e.g., LINE / LINE Official • Provide opportunity for employees to give opinion and file a complaint via Red Box • Prepare and make readiness among employees in knowledge and competency by policy supporting employees for knowledge and skill development via ASEFA ACADEMY system as a library for employee to learn or self-learning from other sources.
 Partners	• Abide by trade conditions and contracts as well as commitment given to the partners • Abide by competition frame of trustworthy business with transparency and ethics • Support implementing knowledges with environmental, social, and corporate governance concerns to enhance business operation among business partners and to reduce risks in business operation and reputation	• Having policy for business partner care and abide by partner ethics and procurement ethics • Determine credit term with customers • Identify the company's major partners/ arrange Vendor List • Visit business partners regularly for discussion and receiving suggestions for improvements • Attend seminar for sharing knowledges and new trends which may affect partners' business • Set measures in implementing business with partners and apply digital and online technology with business for security during COVID-19 crisis
 Customers	• Products and services meet true requirements of the customers both in qualitative and fair price aspects determined under fairness principles. • Products are safe while using and eco friendly. • New innovations.	• Products are certified with TIS standards, domestic standards, and international standards. • Certified quality management system ISO 9001:2015. • Survey customers' satisfaction in each business category regularly and yearly. • Customers can file complaints, give comments, and give opinions in 24 hours through various channels. • Develop products, services, and sustainable solutions, as well as consider environmental effects and safety in every step of operation. • Set up a unit responsible for innovation and development, and set up a unit for product design and product development. • Cooperate with customers in product development and create partnership in promoting projects related to social sustainability.
 Competitors	• Compete and deal with competitor with fairness and honesty within a frame of laws related to trade competition.	• No attempt to receive or pursue classified information by dishonest or inappropriate methods. • No action considered violation to intellectual properties of the competitors. • No action considered defaming or accusing the competitors' reputation. • Support and promote free trade.
 Shareholders	• Be an organization with good governance, transparency, and business ethics. • Numerical result, development direction, and business growth. • Obtain profit from business operation and grow sustainably.	• Implementing business according to corporate governance principles and company ideology. • Having auditing system and auditing process by Internal Audit. • Anti-Corruption Policy. • Annual general meeting of shareholders. • Declaring the business operation quarterly. • Making annual report. • Distributing dividends properly.

Stakeholders	Requirements/Expectations	Company's Response Guidelines
 Creditors	• Abide by the company's policy and practice on creditors.	• Implementing the company's code of conduct. • Abide by the company's policy and practice on creditors.
 Community/ Society	• Implement business with awareness on community and society both neighborhood and public. • Social support during COVID-19 pandemic situation.	• Abide by policy in social responsibility strictly. • Set up a team arranging community and social activities for good relation and participation.
 Press	• Disclosing information rapidly, correctly, openly, and transparently.	• Communicate through various channels. • Create online communication channels for accurate, complete, and immediate information.
 Government	• Abide by related laws and regulations strictly. • Cooperate with government agency in academic activities and support the activities as well as receiving opinions, advices, or complaints from the government agency.	• Anti-corruption policy. • Set up an employee relation department to be responsible for determining coherence and legal action, participating activities, and hearing suggestions from the community.





3.3 Economic Sustainability Management

3.3.1 Economic Policy and Guideline

The vision and strategy of the company give importance to innovation to increase competitiveness in the market, resulting in the Company's sustainable growth including innovations that focus on environmental and social needs. ASEFA's Business Growth, therefore, is in parallel with the creation of mutual benefits with stakeholders, under the principles of corporate governance. In addition to having good and stable operating results, the company also focuses on product and service development along with the development of partners and maintaining customer satisfaction as a priority.

3.3.2 Business Operation Results

Joint Investment with partner

- Appointed to be the distributor of wires from Prysmian Group.
- ASEFA-ETECO cooperates in the business of 100% Chemical-free water treatment.
- Business cooperation with TAIAN-ECOBAR TECHNOLOGY under the TECOBAR brand.
- Established a new joint venture company, AY Solution Joint Venture Co., Ltd., to contract for underground cable electrical and communication systems.

New Products and Solutions

- ASEFA FACTORY TOUR, a new experience in factory visits that are more convenient and modern through Virtual Reality, leading the smart factory trend. Enhance product value with IoT.
- Develop a product testing system before delivery of FAT (Factory Acceptance Test) with customers online for the safety and convenience of customers.

Developing New Technologies for Workplace

- Developed a mobile application called "App ASEFA" for both employees and customers, to communicate and publicize, which makes it more convenient for employees and customers to access.
- Use the time recording system out of work with a face scanner through the AI camera system, detect faces in CCTV cameras. Technology to help with security
- Bring the Sky Frog system to use in the company's transportation. Assist in the preparation of work plans, booking work, and tracking work status in the transportation system

Product presentation and marketing promotion

- TEMCA Metaverse & Exhibition Pattaya 2022
- Set up a booth at the knowledge management exhibition on civil thread innovation.
- Set up a booth at the opening ceremony of the underground cable construction project in 1 province, 1 road in honor of His Majesty the King.
- Support the Thai Electrical & Mechanical Contractors Association, prepare system installation manual
- Provide materials and equipment to support the construction of the new Council of Engineers office building.

Opportunity Day

- quarterly earnings announcement
- Annual General Meeting of Shareholders for the year 2022 via electronic media (E-AGM)

3.4 Social Sustainability Policy

3.4.1 Social Policy and Guidelines

ASEFA adheres to implement social activities and support visions and organization cultures which shall create social responsibility. In consumer responsibility, the company assures and delivers products and services with quality and international standards in the scope of provisions and agreement, and the company shall share and distribute knowledges and technologies to every part of society. The company donates and helps underprivileged people, paupers, and disaster sufferers to support their quality of life and public health.

The company has established a social responsibility policy for sustainable development for directors, executives, and employees to adhere to guidelines for practice in 7 areas as follows: 1. Good Corporate Governance 2. Fairness in Business Operation 3. Anti-Corruption 4. Human Rights Respect 5. Equal Treatment of Labor 6. Consumer Responsibility and 7. Participation in Community and Social Development

3.4.2 Social Operation Results

The company implements projects and activities in sustainability in order to create joint value among the company, community, and academic institutes. In 2022, the company implemented projects covering 3 aspects which were educational support, community development, and personnel potentiality development.

Educational Support

Tutored by Brother Project

ASEFA organized seminars and trainings in electrical engineering for university and college students over the country, and the projects have been implemented continually for 16 years in university level and 10 years in vocational college level.

Additionally, ASEFA supports youth education regularly and constantly. The company provided opportunities for students with internships in the company from the high vocational level to the undergraduate level, and the company signed memorandums of understanding (MOU) with the number of academic institutes for internship and training in the company, which is one of the pride of ASEFA that have passed on skills, knowledge, and experience to develop manpower in vocational education.

Training for **7** higher education institutions

Signed Memorandum of Understanding (MOU) with **2** institutes

Community Development

Project "Forests Live, Wild Animals Survive, the safe community"

- Install solar panels to create a fireproof line and donate food to the staff at Thap Lan National Park, Prachinburi Province.

Project "Supporting Bryde's Whale Club, Laem Phak Bia, Phetchaburi Province"

- Build a fish house (artificial coral reefs) and release fish and baby crabs to jointly conserve marine resources and support local community occupations

Project "ASEFA Family Donates blood to help fellow human beings."

- The employees donate blood to give to the Thai Red Cross Society

Project "Make Merit on Big Buddha's Day"

- Donate every Big Buddha Day (Makha Bucha Day, Visakha Bucha Day, Asarnha Bucha Day, Buddhist Lent Day, and End of Buddhist Lent Day) to make merit in various temple activities.

Project ASEFA Virtual Run: The more you run, the more you give/charity for mom/charity run for dad, New Year New Life

- Activities to promote exercise for employees and customers, partners, along with making merit because every 1 km. is equal to 5 baht, delivering income to charitable organizations.

Make an off-season offering of robes and other needs to monks on Labor day

- Make merit on Labor Day organized by the Office of Labor Protection and Welfare

Install solar light pole

- Support installation of solar light poles for the Government Center, Muang Samut Sakhon District, installed around the office's fence

ASEFA shares kindness to help the disabled

- Giving Pansuk bags (consumer goods) to the disabled



Personnel Potentiality Development

• Human Resource Development

The company believes that the growth of the organization depends on the quality of employees. Therefore, the company has the policy to focus on developing and improving the management and personnel development system to be modern technology compliant and focusing on employees as the main mechanism for the Company's development to become an organization of excellence (High-Performance Organization) to increase competitiveness and respond to organizational changes.

The company supports the development of the capabilities of executives and employees in all dimensions. Therefore, there is an opportunity to learn and develop potential continuously through the implementation of training in a variety of formats, including online training courses that became the starting point of the ASEFA Learning Center or ASEFA Academy, a learning source and a production source for electrical engineering experts. Promote learning through the E-Learning system to develop knowledge and quality personnel. In 2022, a total of 2353 seminars and training sessions were held

ASEFA ACADEMY

Courses of Seminars and training in-house	Courses of Seminars and training outside the company
2263	90

In addition to the development of knowledge, the organization move into the digital age, the company, therefore, develops a mobile application for use in the organization, such as Application Line/ App ASEFA/ Zoom/ Wolf Approve to create efficiency ready for Digital Transformation.

• Professional Growth Support

Business Expansion Policy	Upskill	Reskill	Job Rotation
Increase opportunity and advancement to be responsible for additional work. Employees can handle multitasking.	Employee value-adding and skill enhancement to increase expertise.	Learn new necessary skills for work.	Give employees the opportunity to rotate/ The manager requests the transfer of employees who are unable to work together.

In the past year, there is an employment policy that focuses on equality regardless of gender, race, religion, and culture. The company has increased manpower, both Thai and foreign workers, to support future business expansion and changing market competition.

• Workplace Happiness Activities

- Have lunch together every month.
- Songkran Festival in COVID-19 Situation
- ASEFA Virtual Run
- ASEFA Happy New Year 'Color Up Your Life 2023

Vocational Health and Safety

• COVID-19 Pandemic

- Providing COVID-19 vaccination for employees to create confidence and safety during contagion situations.
- Supporting and communicating to create knowledge and self-protection against COVID-19 both in the workplace and in public.
- There are various measures in protection and surveillance for employees and visitors in order to strictly follow
- Take care of the cleaning system of the factory
- Set up a working group to manage infected people and COVID-19 risk groups.
- Take care, prevent, watch out for the spread of the disease and help alleviate the suffering for employees.

- **Assessing risks and arranging risk management plan continually. Results of the safety operation of 2022 showed that the numbers of the accident in the workplace were 22 times (all were minor injuries and treated with first aid methods)**
- **Organizing Vocational Health and Safety training for employees regularly.**
- **Providing annual medical check welfare to employees.**



3.5 Environmental Sustainability Management

3.5.1 Environmental Policy and Guidelines

ASEFA is aware of and pays strong attention to global environmental awareness so the company focuses on environmental management in waste management, air pollution control, water treatment, energy conservation, hazardous chemical control, and green factory building. The company applies technologies to enhance efficiency in environmental management with expectations to achieve including encouraging awareness of environmental conservation and social responsibility from every employee of the company to realize and be aware of the limitation of natural resources.

The company declares guidelines in environment management according to and aligning with environmental management aspects as follows.

Table of Environmental Management Guidelines of ASEFA Public Co., Ltd.

Environmental Management Guidelines of ASEFA Public Co., Ltd.	Environment Management Measures			
	Pollution Prevention	Sustainable Use of Resources	Global Warming Reduction and Preparation	Environment and Biodiversity Protection and Natural Habilitation
Energy Efficiency System including Harmonic Filter: system managing quality of electricity by eliminating or subsiding Harmonic in electric system to prevent overloading			✓	
T5 and LED energy saving lamps			✓	
Power Monitoring System		✓	✓	✓
Automated toilet lighting system			✓	
Control Room			✓	
BAS: Building Automation System			✓	
Water Auto Flush Valve to manage water for the best utilization and to prevent loss			✓	
Softener: the cleanest drinking water system with 100% zero contaminant Reverse Osmosis: Finest water filtration system Ultraviolet System: Microorganic sterilizing system		✓		
Woods/ Mangrove restoration	✓	✓	✓	✓
Waste Sorting	✓			
Waste Management: Reduce Reuse Recycle	✓	✓		
Intranet Campaign on Waste Sorting	✓			
Reduce paper using: Paperless Office		✓		
Water Treatment System	✓			
Encouraging to work via communication devices instead of work in office			✓	
Waste water analysis before release to public line	✓			✓
24 hrs. noise detection and test	✓			
Factory exhausted air contaminant test	✓			✓
Hazardous waste disposal process monitoring	✓			
Emergency chemical leakage and spill drill	✓			✓
Report of Hazardous Substance in Workplace (Sor Gor. 1)	✓			
Annual Carrying Unused Material Out of Area Permission Report (Sor Gor. 2)	✓			
Annual Lists of Wastes or Unused Material for Originator Report (Sor Gor. 3)	✓			
Vector Animal Pesticide Chemical Control				✓
Lists of Chemical Controls	✓			✓
Chemical work training	✓			✓
Subcontractor control related to waste sorting and use of chemical in company area by training	✓			✓

3.5.2 Environment Operation Results

Green Factory Policy

Innovation and Energy Saving Devices Installed on Buildings

- Solar Floating System
- Solar Rooftop System
- Building Automation System (BAS)
- Central control and report air condition system or Variable Refrigerant Volume (VRV)
- T5 or LED energy-saving lamps
- Power Recording System or Power Monitoring System
- Water management system or Auto Flush Valve
- Softener, Reverse Osmosis, and Ultraviolet water system



Additional Related Environmental Management

- Waste sorting by Reduce, Reuse, and Recycle policy.
- Reducing paper consummation by Work Smart, a paperless methodology, for units with readiness who are able to work and store data via intranet network, mobile applications (App ASEFA/App Wolf Approve), and ASEFA Family Line account.
- Implementing the Reduction and Quitting Foam Food Container policy in collaboration with the Department of Health in order to make the company a zero-foam area, zero solid waste, and a safe place for employees' health.



Honorable Awards in 2022

- Outstanding Performance Award from LSE League Trick Asia Pacific (LS Electric Asia-Pacific)
- Thai Labor Standard Award Basic Level for 3 consecutive years from the Department of Labor Protection and Welfare
- Silver Shield Award and Honorary Certificate for “Zero Accident Campaign 2022” from Thailand Institute of Occupational Safety and Health (Public Organization), Ministry of Labour
- Outstanding Model Enterprise Award safety Occupational health and working environment National Award (Diamond Level) for 5 consecutive years from the Department of Labor Protection and Welfare ministry of labor
- Certificate and commemorative medal for the 100th anniversary Socomec 100 Years Celebrate
- Receiving a plaque honoring the establishment in providing an outstanding bilateral education system from the Office of the Vocational Education Commission
- Certified Clean Food Good Taste, clean food, delicious taste from the Department of Health, Ministry of Public Health.
- Received a commemorative pin, Sor.Thor. as a person who made merit to the institute
- Partnership Award for Transport Safety from the Ministry of Labor
- Standard Award for Prevention and Solution to Drug Problems in the factory for 3 Consecutive Years from the Ministry of Labor
- Awards honoring establishments in managing bilateral education to standard quality pairs from Bang Kaew Fa Vocational College
- Authorized service provider to inspect and certify electrical systems and electrical equipment from the Department of Labor Protection and Welfare













4. Management Discussion and Analysis

4.1 Table Showing a Summary of Financial Position and Business Performance

1. Summary of Separate Financial Statements

1.1 Financial status

Unit : Million Baht

Financial position	2022	2021	2020
Assets			
Current Assets	1,994.26	1,480.85	1,643.85
Non-current Assets	887.80	949.73	798.04
Total assets	**2,882.06**	**2,430.58**	**2,441.89**
Liabilities			
Current Liabilities	1,244.39	778.59	778.11
Non-Current Liabilities	73.61	59.95	41.55
Total liabilities	**1,318.00**	**838.54**	**819.66**
Shareholders' Equity	**1,564.06**	**1,592.04**	**1,622.23**
Total liabilities and shareholders' equity	**2,882.06**	**2,430.58**	**2,441.89**

1.2 Statements of Profit or Loss

Statements of Profit or Loss and Other Comprehensive Income	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues						
Revenues from sales and service	2,983.42	98.93	2,552.45	98.63	2,606.37	99.14
Other income	32.38	1.07	35.58	1.37	22.62	0.86
Total revenues	**3,015.80**	**100.00**	**2,588.03**	**100.00**	**2,628.99**	**100.00**
Expenses						
Costs of sales and service	2,467.29	81.81	2,077.98	80.29	2,038.16	77.53
Selling expenses	228.64	7.58	202.73	7.83	203.14	7.73
Administrative expenses	192.17	6.37	142.23	5.50	143.20	5.45
Total expenses	**2,888.10**	**95.77**	**2,422.94**	**93.62**	**2,384.50**	**90.70**
Profit before finance costs and income tax	**127.70**	**4.23**	**165.09**	**6.38**	**244.49**	**9.30**
Finance costs	3.17	0.11	0.83	0.03	0.21	0.01
Profit before income tax	**124.53**	**4.13**	**164.26**	**6.35**	**244.28**	**9.29**
Income tax expenses	23.05	0.76	30.57	1.18	36.98	1.41
Profit for the years	**101.48**	**3.36**	**133.69**	**5.17**	**207.30**	**7.89**
Net Profit (Loss) per share (Fully Diluted) (Baht)	0.19		0.25		0.38	

1.3 Statements of Cash Flows

(Unit: Million Baht)	2022	2021	2020
Net cash provided by (used in) operating activities	(82.36)	171.16	63.64
Net cash used in investing activities	(28.40)	(133.09)	11.99
Net cash provided by (used in) financing activities	156.58	(115.01)	(30.74)
Net cash and cash equivalents increase (decrease)	45.82	(76.94)	44.89
Cash and cash equivalents at the beginning of the years	25.04	101.98	57.10
Cash and cash equivalents at the end of the years	70.87	25.04	101.99

1.4 Table Showing a Summary of Essential Financial Ratios

Key Financial Ratios		2022	2021	2020
Liquidity Ratio				
Liquidity	(Times)	1.60	1.90	2.11
Quick Ratio	(Times)	0.98	1.15	1.25
Cash Flow Liquidity	(Times)	(0.08)	0.22	0.11
Trade Debtors' Circulation	(Times)	4.54	4.27	4.43
Mean Debt Collection Time	(Days)	80	86	82
Circulating Inventory	(Times)	3.85	3.48	3.57
Average Product Selling Time	(Days)	95	105	102
Creditors' Circulation	(Times)	3.84	3.43	3.53
Credit Term Debt Payment Time	(Days)	95	107	103
Cash Cycle	(Days)	80	84	81
Profit Making Ability Ratios				
Gross Profit	(%)	17.30	18.59	21.80
Profit from Operating Activities	(%)	3.20	5.07	8.51
Cash per Profit	(%)	(56.66)	166.05	44.16
Net Profit	(%)	3.36	5.17	7.89
Return on Equity Shareholders' Returns (ROE)	(%)	6.43	8.32	13.09
Performance Effectiveness Ratios				
Returns from Assets (ROA)	(%)	4.81	6.78	10.75
Returns from Fixed Assets	(%)	18.38	24.05	36.45
Asset Circulation	(Times)	1.14	1.05	1.16
Financial Policy Analysis Ratios				
Debt per Shareholders' Equity (D/E)	(Times)	0.84	0.53	0.51
Interest Payment Ability	(Times)	53.20	252.99	1,419.92
Obligation Payment Ability (cash basis)	(Times)	0.39	1.40	2.66
Dividend Payment	(%)	96.79	89.79	73.70

2. Summary of Consolidated Financial Statements

2.1 Financial status

Unit : Million Baht

Financial position	2022	2021	2020
Assets			
Current Assets	2,094.95	1,585.06	1,694.61
Non-current Assets	825.68	886.77	780.78
Total assets	**2,920.63**	**2,471.83**	**2,475.39**
Liabilities			
Current Liabilities	1,259.07	798.12	785.25
Non-Current Liabilities	77.82	61.54	48.39
Total liabilities	**1,336.89**	**859.66**	**833.64**
Shareholders' Equity	**1,583.74**	**1,612.17**	**1,641.75**
Total liabilities and shareholders' equity	**2,920.63**	**2,471.83**	**2,475.39**

2.2 Statements of Profit or Loss

Statements of Profit or Loss and Other Comprehensive Income	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues						
Revenues from sales and service	3,090.66	99.11	2,599.01	98.74	2,688.89	99.14
Other income	27.85	0.89	33.09	1.26	23.46	0.86
Total revenues	**3,118.51**	**100.00**	**2,632.10**	**100.00**	**2,712,35**	**100.00**
Expenses						
Costs of sales and service	2,558.87	82.05	2,118.61	80.49	2,113.69	77.93
Selling expenses	228.65	7.33	202.79	7.70	203.19	7.49
Administrative expenses	197.70	6.34	141.10	5.36	138.97	5.12
Total expenses	**2,985.22**	**95.73**	**2,462.50**	**93.56**	**2,455.85**	**90.54**
Profit before finance costs and income tax	**133.29**	**4.27**	**169.60**	**6.44**	**256.50**	**9.46**
Finance costs	3.17	0.10	0.83	0.03	0.21	0.01
Share of loss from investment in associate	0.76	0.02	-	-	-	-
Profit before income tax	**129.36**	**4.15**	**168.77**	**6.41**	**256.29**	**9.45**
Income tax expenses	24.36	0.78	31.96	1.21	38.62	1.42
Profit for the years	**105.01**	**3.37**	**136.81**	**5.20**	**217.67**	**8.03**
Profit for the years (Equity holders of the Company)	**103.33**	**3.31**	**138.34**	**5.26**	**218.50**	**8.06**
Net Profit (Loss) per share (Fully Diluted) (Baht)	**0.19**		**0.25**		**0.40**	

2.3 Statements of Cash Flows

(Unit: Million Baht)	2022	2021	2020
Net cash provided by (used in) operating activities	(52.53)	167.01	106.18
Net cash used in investing activities	(13.69)	(133.09)	(22.01)
Net cash provided by (used in) financing activities	152.60	(117.51)	(30.74)
Net cash and cash equivalents increase (decrease)	86.37	(83.59)	53.43
Cash and cash equivalents at the beginning of the years	73.93	157.52	104.09
Cash and cash equivalents at the end of the years	160.30	73.93	157.52

2.4 Table Showing a Summary of Essential Financial Ratios

Key Financial Ratios		2022	2021	2020
Liquidity Ratio				
Liquidity	(Times)	1.66	1.99	2.16
Quick Ratio	(Times)	1.11	1.22	1.34
Cash Flow Liquidity	(Times)	(0.05)	0.21	0.16
Trade Debtors' Circulation	(Times)	4.53	4.20	4.48
Mean Debt Collection Time	(Days)	81	87	81
Circulating Inventory	(Times)	3.98	3.55	3.70
Average Product Selling Time	(Days)	92	103	99
Creditors' Circulation	(Times)	3.92	3.45	3.56
Credit Term Debt Payment Time	(Days)	93	106	102
Cash Cycle	(Days)	79	84	78
Profit Making Ability Ratios				
Gross Profit	(%)	17.21	18.48	21.39
Profit from Operating Activities	(%)	3.41	5.25	8.67
Cash per Profit	(%)	(22.33)	155.29	60.95
Net Profit	(%)	3.31	5.26	8.06
Return on Equity Shareholders' Returns (ROE)	(%)	6.36	8.39	13.51
Performance Effectiveness Ratios				
Returns from Assets (ROA)	(%)	4.94	6.86	11.11
Returns from Fixed Assets	(%)	20.37	25.76	38.79
Asset Circulation	(Times)	1.16	1.06	1.17
Financial Policy Analysis Ratios				
Debt per Shareholders' Equity (D/E)	(Times)	0.83	0.53	0.50
Interest Payment Ability	(Times)	42	204	1,242.72
Obligation Payment Ability (cash basis)	(Times)	0.41	1.43	2.77
Dividend Payment	(%)	69.92	86.77	95.05

4.2 Management's Discussion and Analysis of Business Operation

1. Overall Past Performance

The Group's operations are divided by categorized as follows: 1) products that are manufactured and distributed by the company 2) Products that the company purchase for further sales, including other related electrical equipment used in electrical distribution such as electrical equipment and control and electrical distributors. 3) Other related engineering services and after sales services. Moreover, there are special projects which are power plant demolition projects that gain profits by selling scrap metals and equipment that are retrieved from the demolition. The overall performance of the previous year 2020-2022 is summarized as follows:

Operating results for the year 2020, the company and its subsidiaries had total revenues of 2,712.35 million baht, an increased by 150.21 million baht or by 5.86%, with a net profit of 218.50 million baht, an increase of 74.89 million baht or by 52.15% when compared to the same period of last year. The net profit margin increased from 5.61% to 8.06%. The increase in net profit was due to effective cost management and production cost control, resulting in an increased gross margins. As well as a decreased in selling and administrative expenses, amounting to 28.98 million baht or by 7.81%, due to the company has managed and controlled such expenses to be in line with the economic and market conditions in the related industries that are still slowing.

Operating results for the year 2021, the company and its subsidiaries had total revenues from sales and service of 2,599.01 million baht, decreased by 89.88 million baht or by 3.34%. The net profit of 138.34 million baht, decreased of 80.16 million baht or by 36.69%, with a net profit margin decreased from 8.06% to 5.26%, when compared to the same period of last year. The Decreased in revenue and net profit of the company was mainly to the impact of fluctuating raw material prices. The main raw materials used in the production of metal, steel, copper, have increased their prices by more than 50%, which is considered significant. There is also the impact of the economic recession from the impact of COVID-19, which has caused costs and difficulty working, as well as postponed delivery of goods and services.

For the operating results of the year 2022, the Company and its subsidiaries had total sales and service income of 3,090.66 million baht, an increase of 491.65 million baht, or 18.92%, with a net profit of 103.33 million baht, a decrease of 35.01 million baht, representing 25.31% Net profit margin decreased from 5.26% to 3.31% compared to the same period last year. The Decrease in revenue and net profit of the company, mainly to the cost of some system engineering contracting projects from major raw materials which had significantly increased prices and there are additional costs arising from a longer implementation time than the projected plan. Including an increase in selling and administrative expenses, an increase in employee expenses, and an increase in the allowance for receivables from the same period of the previous year.

2. Analysis of Operating Results

2.1 Revenues

Product Group	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenues from sales						
- Products manufactured and distributed by the Company	1,763.09	56.54	1,556.39	59.13	1,607.56	59.27
- Products distributed by the Company	370.94	11.89	313.81	11.92	452.95	16.70
Total revenues from sales	**2,134.03**	**68.43**	**1,870.20**	**71.05**	**2,060.51**	**75.97**
2. Revenues from services	**926.81**	**29.72**	**728.81**	**27.69**	**616.31**	**22.72**
3. Revenue from power plant demolition	**29.82**	**0.96**	**-**	**-**	**12.07**	**0.45**
4. Other incomes	**27.85**	**0.89**	**33.09**	**1.26**	**23.46**	**0.86**
Total Revenues	**3,118.52**	**100.00**	**2,632.10**	**100.00**	**2,712.35**	**100**

Total revenue of the company and its subsidiaries in 2020, the Company and its subsidiaries have income from sales service income Revenue from the demolition of power plants and other income accounted for 75.97%, 22.72%, 0.45%, and 0.86% of total revenue, respectively. and total income for the year 2021, the Company and its subsidiaries have income from sales service income, and other income accounted for 71.05%, 27.69%, and 1.26% of total income, respectively.

For the year 2022, the Company and its subsidiaries have income from sales service income Power plant demolition income and other income accounted for 68.43%, 29.72%, 0.96%, and 0.89% of

Revenues from sales

Product Group	Operated by	2022		2021		2020	
		Million Baht	%	Million Baht	%	Million Baht	%
Products manufactured and distributed by the Company							
Switchboards designed and developed by The Company	ASEFA	1,041.37	48.80	772.93	41.33	967.54	46.96
Licensed Products	ASEFA	605.99	28.40	707.47	37.83	538.36	26.13
Other products	ASEFA	115.73	5.42	75.99	4.06	101.66	4.93
Total revenue from products manufactured and distributed by the Company		**1,763.09**	**82.62**	**1,556.39**	**83.22**	**1,607.56**	**78.02**
Products distributed by the Company							
Electrical and control products	ASEFA/ VRT	95.86	4.49	116.82	6.25	107.46	5.22
Electrical power distribution products	ASEFA	203.04	9.51	142.15	7.6	266.06	12.91
Lighting and equipment	ASEFA	17.60	0.83	8.21	0.44	20.53	1
Mineral Insulated Cable	ASEFA	0.02	0.00	0.66	0.03	0.08	0
Other products	ASEFA/ VRT	54.42	2.55	45.98	2.46	58.82	2.85
Total revenue from products distributed by the Company		**370.94**	**17.38**	**313.81**	**16.78**	**452.95**	**21.98**
Total revenue from sales		**2,134.03**	**100.00**	**1,870.20**	**100.00**	**2,060.51**	**100.00**

The company's sales revenue and its subsidiaries in 2020-2021 consist of revenue from products that the Company has as a manufacturer and distributor and income from the products that the company purchased for resale. In the year 2020, the company and its subsidiaries had revenue from the products that the company Is a manufacturer and distributor of and income from the products that the company Purchased for resale for 1,607.56 million baht and 452.95 million baht, representing 78.02% and 21.98% of sales revenue, respectively. There is income from the products that the company Is a manufacturer and distributor of and income from the products that the company Purchased for resale for 1,556.39 million baht and 313.81 million baht, representing 83.22% and 16.78% of sales revenue, respectively. The significant change in revenue from the product group that the company produces and distributes decreased by 51.17 million baht or 3.18%, and the income from the product group that the company bought for resale decreased by 139.14 million baht or 30.72%.

For the year 2022, the Company and its subsidiaries There is income from the products that the company Is a manufacturer and distributor of and income from the products that the company Purchased for resale for 1,763.09 million baht and 370.94 million baht, representing 82.62% and 17.38% of sales revenue, respectively. The significant change in revenue from the product group that the company produced and sold increased by 206.70 million baht or 13.28%, and the income from the product group that the company bought for resale increased by 57.13 million baht or 18.21%.

Revenue from services

Product Group	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Services						
Integrated engineering services	755.35	81.50	608.38	83.48	498.92	80.95
After sales services	171.46	18.50	120.43	16.52	117.39	19.05
Total revenue from services	**926.81**	**100.00**	**728.81**	**100.00**	**616.31**	**100.00**

In 2020, the Company and its subsidiary's Revenue from services was 616.31 million baht, and in 2021 was 728.81 million baht, an increase of 112.50 million baht or 18.25% compared to the year 2020.

For the year 2022, the Company and its subsidiary's Revenue from services was 926.81 million baht, an increase of 197.99 million baht or 27.17% from the previous year. There is an expansion of system engineering services from 2021.

Revenue from power plant demolition

Product Type	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from power plant demolition	29.82	100	-	-	12.07	100

The Company and Subsidiaries' Revenue from the sale of demolition materials for power plants in 2020 amounted to 12.07 million baht, an increase of 8.91 million baht, representing 281.91% compared to 2019. In 2021, the company and its subsidiaries There is no income from the demolition of the power plant and for the year 2022, the Company and its subsidiary's income from the demolition of the power plant was 29.82 million baht.

Other incomes

Product Type	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Other income	27.85	0.89	33.09	1.26	23.46	0.86

In 2020 - 2022, the Company and its subsidiaries There are other incomes of 23.46 million baht, 33.09 million baht, and 27.85 million baht, respectively, representing 0.86%, 1.26%, and 0.89% of total income. Other income in 2022 consists of income from the sale of scrap materials. (copper, steel, electric wire) in the amount of 10.64 million baht, interest income in the amount of 14.68 million baht, rental income of 1.71 million baht, etc.

2.2 Cost of Sales and Expenses

Cost and Expenses	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Cost of sales and service	2,558.87	82.06	2,118.61	80.49	2,113.69	77.93
Selling expenses	228.65	7.33	202.79	7.70	203.19	7.49
Administrative expenses	197.70	6.34	141.10	5.36	138.97	5.12
Finance cost	3.17	0.10	0.83	0.03	0.21	0.01
Total Expenses	2,988.39	95.83	2,463.33	93.58	2,456.06	90.55
Total revenue	**3,118.52**		**2,632.10**		**2,712.35**	

The company's major expenses and subsidiaries include the cost of goods sold and services. selling expenses, administrative expenses and financing expenses by 2020 - 2022, the Company and its subsidiaries expenses of 2,456.06 million baht, 2,463.33 million baht and 2,988.39 million baht. respectively, represented 90.55% of 93.58% and 95.83% of total revenue.

Cost of sales and service

Product Group	2022		2021		2020	
	Million Baht	GP (%)	Million Baht	GP (%)	Million Baht	GP (%)
Cost of sales- Products manufactured and distributed by the Company	1,417.34	19.61	1,294.30	16.84	1,263.45	21.41
Cost of sales- Products distributed by the Company	272.40	26.57	230.78	26.46	368.32	18.68
Cost of sales-Service	842.60	9.09	593.53	18.56	468.08	24.05
Cost of sales-power plant demolition	26.53	11.02	-	-	13.85	(14.69)
Cost of sales and service	**2,558.87**	**17.21**	**2,118.61**	**18.48**	**2,113.69**	**21.39**

In 2020 - 2021, the Company and its subsidiaries cost of goods sold and services amounted to 2,113.69 million baht and 2,118.61 million baht, accounting for 77.93 and 80.49% of total revenue.

For the year 2022, the cost of goods sold and services amounted to 2,558.87 million baht, an increase of 440.26 million baht, representing 20.78%, accounting for 82.05% of total revenue.

Gross Margin

In 2020-2021, the Company and its subsidiaries had gross margins of 575.20 million baht and 480.40 million baht, respectively. In 2021, a decrease of 94.80 million baht or 16.48%. with compared to the year 2020, with a gross profit margin decreased from 21.39% to 18.48% due to the Increased cost of production of goods and services from the impact of the price of main raw materials used in the production of steel, copper and electrical equipment with a price increase of more than 50%, which is considered the main impact factor.

For the year 2022, the Company and its subsidiary's Gross profit amounted to 531.79 million baht, an increase of 51.38 million baht or 10.70% compared to 2021 due to increased sales and service income. The gross profit margin decreased from 18.48% to 17.21%. The decrease in gross profit margin was mainly due to the price of the main raw materials used in the production and contracting of system engineering for some projects having increased in price. Including incremental costs arising from a longer implementation time than the projected plan.

Selling expenses

In 2020-2021, the Company and its subsidiaries were selling expenses of 203.19 million baht and 202.79 million baht, representing 7.49% and 7.70% of total revenue.

For the year 2022, the Company and its subsidiary's Selling expenses amounted to 228.65 million baht, representing 7.33%, increased by 25.86 million baht, representing 12.75% will be expenses related to employees and promotional expenses

Administrative expenses

In 2020 - 2021, the Company and its subsidiaries were administrative expenses of 138.97 million baht and the amount of 141.10 million baht, representing 5.12% and 5.36% of total revenue, with administrative expenses in 2021 increasing by 2.13 million baht, representing 1.53%, with compared to the year 2020. The expenses with significant changes consisted of an increase in employee expenses totaling 7.44 million baht, an increase in reserve of allowance for deteriorating goods by 5.46 million baht, The cost of certification decreased of 2.31 million baht, reserve allowance for receivables and related business loans decreased by 7.93 million baht, etc.

For the year 2022, the Company and its subsidiaries were administrative expenses for 197.70 million baht, representing 6.34% of total revenue, increasing by 56.60 million baht, representing 40.11% compared to the year 2021, with the main increasing expenses. It will be an allowance for debtors increased by 35.17 million baht and an allowance for short-term investments and investments in joint ventures increased by 9.20 million baht.

Finance cost

In 2020 - 2021, the Company and its subsidiaries had financial costs of 0.21 million baht and 0.83 million baht, increase of 0.62 million baht. or 302.54%, with compared to 2019.

For 2022, the Company and its subsidiaries had a financial cost of 3.17 million baht, increased by 02.34 million baht, or 281.99%, Compared to 2021. The Company has increased short-term borrowings from financial institutions from the previous year to serve as working capital in the Company's operations.

2.3 Net Profit

In 2020-2021, the Company and its subsidiaries had a net profit of 218.50 million baht and 138.34 million baht respectively. Representing a net profit margin of 8.06% and 5.26%. The net profit for the year 2021 decreased by 80.16 million baht, representing 36.69%. The net profit margin decreased from 8.06% to 5.26% compared to the same period last year. The decrease in net profit of the company is mainly to the impact of fluctuating raw material prices. The main raw materials used in the production of metal, iron, and copper have increased their prices by more than 50%, which is considered a significant impact factor. There is also an impact on the economic downturn. From the situation of the COVID-19 epidemic, caused costs and difficult work and cause delays in work Including postponing the delivery of goods and services from the original delivery plan.

For the year 2022, the Company and its subsidiaries There was a net profit of 103.33 million baht, a decrease of 35.01 million baht or 25.31%. The net profit margin decreased from 5.26% to 3.31% compared to the same period last year. The decrease in revenue and net profit of the Company was mainly to the cost of some system engineering contracting projects from major raw materials which had significantly increased prices. And additional costs arise from a longer implementation time than the projected plan. Including an increase in selling and administrative expenses in terms of employee expenses and an increase in the allowance for receivables.

3. Financial Position

3.1 Asset

Unit : Million Baht

Consolidated Financial Statement	2022	2021	2020
Asset			
Current assets	2,094.95	1,585.06	1,694.61
Non – current assets	825.68	886.77	780.78
Total assets	**2,920.63**	**2,471.83**	**2,475.39**
Liabilities	1,336.89	859.66	833.64
Shareholders' equity	1,583.74	1,612.17	1,641.75
Total Liabilities and shareholders' equity	**2,920.63**	**2,471.83**	**2,475.39**

In 2020 - 2022, the Company and its subsidiary's Total assets were 2,475.39 million baht, 2,471.83 million baht, and 2,920.63 million baht respectively. representing a growth rate of 15.59% (0.14) and 18.16% respectively. and its subsidiaries, namely trade accounts receivable inventories and property, plant, and equipment The details are as follows.

Trade receivables

In 2020 - 2022, the Company and its subsidiaries had trade receivables before deducting the allowance for doubtful debt amounting to 652.36 million baht, 620.62 million baht and 795.48 million baht, calculated in percentage as 26.35%, 25.10% and 27.24% of total assets, respectively.

The Company and its subsidiaries have a policy of crediting term to customers for approximately 30-90 days. In the past, the Company and its subsidiaries have an average debt collection period of 81 days in 2020, equal to 87 days in 2021 and 81 days in 2022.

Period	As at 31 Dec, 2022		As at 31 Dec, 2021		As at 31 Dec, 2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Trade receivables						
Current	475.84	59.82	317.38	51.14	434.43	66.59
Over due						
Not over 3 month	182.71	22.97	181.25	29.20	107.63	16.50
Over 3 month -Not over 6 month	9.99	1.26	38.16	6.15	27.94	4.28
Over 6 month – Not over 12 month	36.39	4.57	6.47	1.04	6.57	1.01
Over 12 months	90.55	11.38	77.36	12.47	75.79	11.62
Total Trade receivables	**795.48**	**100.00**	**620.62**	**100.00**	**652.36**	**100.00**
Less Allowance for doubtful accounts	**(88.14)**		**(72.98)**		**(67.64)**	
Total trade receivables - net	**707.34**		**547.64**		**584.72**	

From the table above, it can be seen that the Company and its subsidiary's proportion of receivables that are not yet due in 2020 - 2022 amounted to 66.59%, 51.14%, and 59.82% of the total trade receivables before allowance for doubtful accounts, respectively. The outstanding receivables of the Company and its subsidiaries Most of them were overdue less than 3 months, representing 16.50%, 29.20%, and 22.97%, respectively. Overdue receivables for more than 3 months increased from 110.30 million baht in 2020 to 121.99 million baht or 19.66% of all outstanding receivables. Because some debtors have problems with a lack of financial liquidity. At present, the payment has been postponed and partial payment has been requested. The remainder is in the process of negotiation with the debtor for debt repayment. The company and its subsidiaries have set up an allowance for doubtful accounts according to the Company's policy.

For the year 2022, the Company and its subsidiaries There are receivables overdue for more than 3 months, increasing from 121.99 million baht in 2021 to 136.90 million baht or 12.22% of all outstanding receivables. Because some debtors have problems with a lack of financial liquidity from the impact of economic conditions At present, there has been a request for postponement of payment and partial payment has already been requested. The remainder is in the process of negotiation with the debtor for debt repayment. The company and its subsidiaries have set up an allowance for doubtful accounts according to the Company's policy. The Company's allowance for doubtful accounts will be considered in 2 parts:

1. Reserve allowance for doubtful accounts for a specific part.

   This section reserves consider each debtor as a special case.

2. Reserve allowance for doubtful accounts for the general part

   This reserve is determined by the aging receivables outstanding in the account, with specific reserve receivables deducted.

   Receivables with an outstanding age between 0 - 30 days are set aside at the rate. 0.5%

   Receivables with an outstanding age between 31 - 90 days are set aside at the rate. 2%

   Receivables with an outstanding age between 91 - 180 days are set aside at the rate. 10%

   Receivables with an outstanding age between 181 - 365 days are set aside at the rate. 50%

   Receivables with an outstanding age of more than 365 days are set aside at a rate of 100%

The policy of estimating the allowances of trade receivables and assets arising from contracts, the management will use its discretion to estimate the expected credit losses from each receivable. Taking into account past billing experiences, the age of outstanding debt and the projected economic conditions of customers with similar credit risks. for example.

Inventory

Inventory	As at 31 Dec, 2022		As at 31 Dec, 2021		As at 31 Dec, 2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Finished goods	43.72	6.48	44.04	6.48	45.44	7.49
Work in process	168.80	15.86	107.74	15.86	136.17	22.45
Raw material	535.74	69.20	470.19	69.20	472.29	77.86
Supplies	61.55	6.98	47.41	6.98	40.67	6.70
Goods under installation	0.84	1.02	3.14	1.02	0.98	0.16
Goods in transit	0.38	0.46	6.90	0.46	0.68	0.11
Total inventories	**811.03**	**100.00**	**679.42**	**100.00**	**696.23**	**100.00**
Less allowance for devaluations	(108.86)		(96.37)		(84.06)	
Total inventories - net	**702.17**		**583.05**		**612.17**	

The Company and its subsidiaries had the net inventory-net at the end of 2020 - 2022 amounting to 612.17 million baht, 583.05 million baht and 702.17 million baht, respectively. The company's main inventories and subsidiaries are raw materials, work in process and finished goods.

The year 2020 - 2021 The Company and its subsidiaries There were inventories before deducting an allowance for inventories of 696.23 million baht and 679.42 million baht, respectively. The component of inventories with the highest volume was raw materials, accounting for 77.86% and 69.20% of total inventories. which are the main raw materials of the company, including steel, copper, and electrical equipment used in the assembly of switchboards.

For the year 2022, the Company and its subsidiaries There are inventories before deducting allowances for inventories of 811.03 million baht, an increase of 131.61 million baht or 19.37% compared to the year 2021, increasing in the group of electrical equipment that is the main raw material used in production and work in progress. of project work that is in the process of waiting for delivery.

The Company and its subsidiaries have the policy on the provision criteria of obsolete products, which was based on the estimation of the product's age, the management team's experience, as well as the confirmation from manufacturers, detailed as follows

Raw material Type	Aging of inventory	Criteria of provision (%)
Raw material	Between 366 - 730 Days	15.00
Raw material	Between 731 – 1,095 Days	35.00
Raw material	Between 1,096 – 1,825 Days	55.00
Raw material	Between 1,826 – 2,555 Days	75.00
Raw material	Over 2,555 Days	100.00
Work in Process and Finished goods	Between 181 - 365 Days	50.00
Work in Process and Finished goods	Over 365 Days	100.00

Lands, Buildings and Equipment

The Company and its subsidiaries have net property, buildings and equipment of 617.35 million baht in 2020, 596.16 million baht in 2021 and 593.51 million baht in 2022, representing 24.93%, 24.12% and 20.32% of total assets. respectively. In 2022, the Company and its subsidiaries had net property, plant and equipment of 593.51 million baht, a decrease of 2.65 million baht or 0.44% compared to the year 2021 by decreasing from depreciation and amortization of assets during period of 17.71 million baht and the purchase of assets during the period was 15.06 million baht.

3.2 Liquidity

Cash flow

(Unit: Million Baht)	2022	2021	2020
Net cash from (used in) operating activities	(52.53)	167.01	106.18
Net cash used in investing activities	(13.69)	(133.09)	(22.01)
Net cash from (used in) financing activities	152.60	(117.51)	(30.74)
Net cash and cash equivalents (increased) decreased	86.37	(83.59)	53.43

In 2020, the Company and its subsidiaries Cash flow from operating activities amounted to 106.18 million baht, decrease of 384.24 million baht, compared to the same period last year, due to an increase in inventories and trade creditors and other current payables, compared to 2019. The cash flow spent on investment activities amounted to (22.01) million baht. The investment in fixed assets amounted to 14.28 million baht, which was down from the previous year and the decrease in cash payments from short-term loans from financial institutions decreased by 94.51 million baht. In addition to the dividend payment of Baht 110 million, make the Company Cash flows used in financing activities amounted to 30.74 million baht.

For the year 2021, the Company and its subsidiaries Cash flows from operating activities amounted to 167.01 million baht, increased 60.82 million baht, compared to the same period last year, due to a decrease in inventories and other current payables compared to 2020, the amount of cash flow spent on investment activities amounted to (133.09) million baht. From investment in fixed assets amounting to 18.32 million baht and loans to other businesses 115 million baht, that's up from the previous year. Net cash used in financing activities amounted to 117.51 million baht. This increased by 86.77 million baht compared to 2020.

For the year 2022, the Company and its subsidiary's Cash flow used in operating activities amounted to (52.53) million baht, an increase of 219.54 million baht compared to the same period last year. Due to the increase in sales and the increase in the purchase of goods and raw materials. by trade accounts receivable Revolving contract assets and inventories increased compared to the year 2021. Cash flow used in investing activities amounted to (13.69) million baht, a decrease of 119.39 million baht from the previous year. Net cash received from financing activities amounted to 152.60 more. an increase of 270.11 million baht compared to 2021, increased by short-term loans from financial institutions to be used as working capital of the company

Liquidity Ratio

Ratios		2022	2021	2020
Liquidity	(Times)	1.66	1.99	2.16
Quick Ratio	(Times)	1.11	1.22	1.34
Mean Debt Collection Time	(Days)	81	87	81
Average Product Selling Time	(Days)	92	103	99
Credit Term Debt Payment Time	(Days)	93	106	102
Cash Cycle	(Days)	79	84	78

The Company and its subsidiaries had liquidity ratios at the end of 2020 - 2022 of 2.16 times, 1.99 times, and 1.66 times respectively, and had a liquidity ratio of 1.34 times, 1.22 times, and 1.11 times respectively, indicating that the Company still has good liquidity management, but the liquidity ratio to the liquidity ratio rotates quickly, as the Company and its subsidiaries have a relatively high proportion of outstanding inventory to current assets. It was 37.69%, 38.45%, and 33.52%, respectively.

The Company and its subsidiaries had 78 cash cycles in 2020, equal to 84 days in 2021, with 79 days in 2022, which decreased cash cycles in 2022, because the Company and its subsidiaries had a debt collection period and a fast sales period, compared to 2021.

3.3 Sources of Capital

Liabilities

The Company has liabilities of 833.64 million baht in 2020, 859.66 million baht in 2021, and 1,336.89 million baht in 2022, with most of the company's liabilities. and its subsidiaries, namely short-term loans from financial institutions and trade payables. The purpose of such liabilities is to operate the Company's business.

Most of the Company's liabilities is a current liability The ratio of current liabilities to total liabilities of the Company equal to 94.19% in 2020, 96.19% in 2021, and 94.18% in 2022, with most of the Company's liabilities will be trade payable representing 68.90%, 66.51% and 54.85% of total liabilities, respectively.

Shareholders' Equity

Shareholders' equity in 2020, increased 88.15 million baht or 5.67% compared to 31 December 2019, since in 2020 there was an operating profit of 214.62 million baht and a dividend payment of 110 million baht.

Shareholders' equity in 2021 decreased from 2020 by a decrease of 29.58 million baht or 1.80%. There was an operating profit of 123.21 million baht and a dividend payment of 152.78 million baht.

For shareholders' equity in 2022, shareholders' equity amounted to 1,583.74 million baht, a decrease of 28.43 million baht or 1.76%. During the year, the company had operating profits of 95.59 million baht. of the joint venture amounting to 4.50 million baht and paying dividends in the amount of 120.04 million baht.

Capital Structure Viability

The Company and its subsidiaries had the ratio of debts to equity at 0.51 Times at the end of 2020, and 0.53 Times at the end of 2021 and 0.83 Times at the end of 2022. Which shows that the company, The company's capital structure comes from shareholders' equity rather than liabilities.



5. General information and other material facts

5.1 General Informations

Company's name	ASEFA Public Company Limited	
Company's initial	ASEFA	
Company's registration	0107558000091	
Business	Manufacturing Sourcing and Distributing Electrical Power Distribution Products, Services and Solutions.	
Registered capital	550,000,000 Baht	
Paid-up capital	550,000,000 Baht	
Par value	Ordinary shares at 1 baht per share	
Establishment	March 24th, 1997	
First Day Trade on the SET	August 5th, 2015	
Locations	5 Moo1 Rama II Road, Khok-krabue, Mueang Samutsakhon, Samutsakhon 74000 Telephone +66(0) 2686-7777 Fax. +66(0) 2686-7788	
Website	www.asefa.co.th	
Investor Relation	Telephone +66(0) 2686-7777 ext. 1700	E-mail: pichai-p@asefa.co.th
Company secretary	Telephone +66(0) 2686-7777 ext. 1104, 1700	E-mail: asefa@asefa.co.th
Legal Department	Telephone +66(0) 2686-7777 Ext. 1226	E-mail: keeraphunt@asefa.co.th

Subsidiaries	1. Varitek Company Limited 2. ASEFA Suntech Joint Venture 3. ASEFA and VARS Joint Venture 4. ASEFA and UMI Joint Venture 5. AY Solution Joint Venture Company Limited
Joint venture	1. Eteco (Thailand) Company Limited

Reference

Securities Registrar	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400 Telephone: +66(0) 2009-9000 Fax.: +66(0) 2009-9991	
Website	www.set.or.th/tsd	
Auditor	Mr. Atipong Atipongsakul	CPA License No.3500
	Ms. Autchara Suknaibaibun	CPA License No.4642
	Mr. Vichai Ruchitanont	CPA License No.4054
	Mr. Sathien Vongsnan	CPA License No.3495
	Ms. Kultida Pasurakul	CPA License No.5946
	Ms. Kanittha Siripattanasomchai	CPA License No.10837
	ANS Audit Company Limited. 100/72, 22nd Floor, 100/2 Vongvanij Building B, Rama 9 Road, Huaykwang, Bangkok, 10320 Thailand Telephone +66(0) 2645-0109 Fax. +66(0) 2645-0110	

5.2 Legal disputes

During the year ended December 31, 2017, a joint venture, which is a subsidiary of the Company, ceased operations because the Central Bankruptcy Court ordered a freeze of the joint venture partner's assets in a bankruptcy case on June 20, 2017.

On March 20, 2019, the Bankruptcy Division Director considered approving the liquidation of the joint venture whereby the Company declared the intention for the liquidation and proposed to the creditors meeting. On July 1, 2019, the creditors' meeting resolved to carry forward with such liquidation, with the Official Receiver and the Company as joint liquidators and has been selling the joint venture's assets for liquidation.

On November 15, 2021, the Creditor filed an objection to the Official Receiver for opposing the process of selling the remaining joint venture's assets. Therefore the joint venture suspends the selling of assets temporarily. On August 1, 2022, according to the Official Receiver's report has ordered to proceed with the sale of the remaining assets of the joint venture as previously practiced.

On November 4, 2022, one of the joint venture's creditor petitioned the Official Receiver to petition the Central Bankruptcy Court to order appointment of a new liquidator. On December 27, 2022, the Official Receiver had an order proposing submission of the petition to the Central Bankruptcy Court to appoint a liquidator and that the joint venture temporarily suspend sale of such assets.

On January 31, 2023, the Company filed a petition with the Central Bankruptcy Court requesting urgent sale of the assets and that the Court instead appoint a third party as liquidator. The Court scheduled an appointment to consider the petition on April 4, 2023.

The creditor filed an objection to the order of the Official Receiver that allows the Company to receive repayment under the loan agreement. On December 16, 2021, the Company filed an objection with the Central Bankruptcy Court. On July 20, 2022, the Court dismissed the creditor's objection. On January 18, 2022, the Company filed a petition to the Central Bankruptcy Court to issue an order for receive repayment and for liquidation of the joint venture. On September 14, 2022, the Central Bankruptcy Court issued an order authorizing the Company to receive debt repayment as 1st level debt.

Subsequently, on November 14, 2022, the Official Receiver appealed the Central Bankruptcy Court's order. The Court has then ordered extension of the period to file appeal to February 25, 2023.

The Company's management opined that the Company will be able to get the repayment from the assets of joint venture in the bankruptcy case.

Part 2
Corporate Governance

6. Corporate Governance Policy

6.1 Overview of the Policy and Guidelines

The Board of Directors has given importance to good corporate governance, as considered that it is a critical factor for leading an efficient, transparent and accountable management system, and create trust and confidence among its shareholders, investors, other stakeholders and relevant parties. By having good corporate governance as a tool to increase value, build competitiveness and to achieve its long term sustainable growth objectives. Therefore, the Company has established a good corporate governance policy. The company guidelines in line with the 5 Principles of Good Corporate Governance for Listed Companies of the Stock Exchange of Thailand; namely

Chapter 1 The Rights of Shareholders

The Company has a policy to give shareholders a stake in overseeing the business and to give more opinions about the business operations. Therefore, it gives shareholders the opportunity to acquire rights such as the right to receive sufficient information in time. In a way that is appropriate for decision-making. The right to attend and vote at the shareholders' meeting to decide on major policy changes to the Company. Right to elect and remove directors the right to approve the appointment of auditors and the right to divide profits, shareholders have the right to ownership by controlling the company through the appointment of a board of directors to act on their behalf.

Chapter 2 The Equitable Treatment of Shareholders

The Company has a policy to act equally and fairly to both major and minor shareholders. Institutional investors, including foreign shareholders, focus on preserving the fundamental rights of shareholders. Equally complete information is provided to give shareholders confidence in their investments.

Chapter 3 The Role of Stakeholders

The Board of Directors has established policies regarding the role of stakeholders in the Good Corporate Governance Policy to ensure that stakeholders are taken care of, entitled to the relevant laws, and not to act in violation of the rights of stakeholders, including shareholders, employees, customers, competitors, partners, creditors, the social community and the environment.

Chapter 4 Disclosure and Transparency

The Board of Directors is committed to ensuring compliance with the law. The regulations and regulations relating to the disclosure by the Company and its subsidiaries will focus on accurate, complete and transparent disclosure of the Company's information. Financial information and general non-financial information so that all stakeholders are equally informed. The Company will disseminate the Company's information to shareholders and the public through channel and information distribution materials of the Stock Exchange of Thailand and its website. In addition, the Company attaches importance to financial reports to reflect the company's financial position and actual performance. It is based on accurate, complete and adequate accounting information in accordance with generally accepted accounting standards. The Company will disclose information about the directors of each company and its subsidiaries, as well as the roles of the Board of Directors and its sub-committees, and will disclose the remuneration of directors and senior executives in the Company's annual report.

Chapter 5 Responsibilities of the Board of Directors

The Board of Directors has responsibility to shareholders regarding the company's business operations. Corporate Governance in accordance with the goals and guidelines that will bring the best interests to shareholders. The interests of all stakeholders are taken into account. The Board of Directors is responsible for complying with the law. Objectives, regulations of the Company and dimensions of the Shareholders' Meeting by acting with integrity and careful to preserve the interests of shareholders and stakeholders in the short and long term to ensure that the Company's operations are in the direction of best interests to shareholders and stakeholders.

The Board of Directors will ensure the preparation of visions, missions, goals, policies, operational directions, strategic plans, plans and annual budgets of the Company. The Board of Directors will share their opinions to gain an understanding of the overall business together. Prior to approval, the minimum number of quorums must be at least two-thirds of the total number of directors at the time of the board of directors will vote, as well as monitoring the management to meet the goals set forth, adhering to the guidelines of the Stock Exchange of Thailand and the Securities and Exchange Commission-and requiring a review of such matters every year.

Conflict of interest's policy

The company has set forth measures for entering into related transactions between the company and persons with potential conflicts of interest that the Stakeholders in the matter will not be able to take part in the approval of such transactions. The Board of Directors must ensure that the Company Compliance with laws and regulations of the Securities and Exchange Commission announced the order or the requirements of the Capital Market Commission and the Stock Exchange of Thailand. As well as compliance to the requirements on disclosure of related party transactions and the acquisition or disposal of major assets of the company. Including compliance with accounting standards set by the Association of Accountants strictly.

The company will provide the audit committee or auditors to offer opinions regarding the necessity of entry into related transactions, the reasons for the related transactions and the suitability of fees for related transactionsand disclose related transactions in remarks accompanying budgets which have been audited or reviewed by the company's auditors by Annual Registration Statement/ Annual Report Form 56-1 One Report

Supervision the operations of subsidiary and affiliated companies

The company aims to invest in companies that engage in business as the core business of the company or companies with similar or entity that will make the company's turnover or profit increase, also invest in a business that can support the company's core business to increase the competitiveness of the company.

The company will send the directors or executives management who has the qualifications and experience to be represented in the management of subsidiaries and associated companies, to set policies and control the operations of the subsidiary and/ or company. The directors who represent the company must act in the management of its subsidiaries and/ or associates or operating under the company policy, including the resolution of the Board of Directors and/ or the shareholders' meeting, to bring the most benefit and to the sustainable growth of the company.

The control of internal information

1. Prohibiting directors, management and employees of the Companyare disclosing company secrets and/or internal data to other individuals for personal gain or for the gain of other individuals, whether directly or indirectly, with or without remuneration.

2. Prohibiting directors, the management and employees of the Company including their spouse and minor children to use the information that hasn't been disclosed of the Company that have or may have an impact on the price of the securities of the Company,which they purchase, sell, offer to buy or sell, persuade others to buy or sell, offer to buy or sell securities of the Company, whether directly or indirectly, before the data is disclosed to the public, whether the aforementioned actions are for personal gain or the gain of others, or aimed at having the other persons take the aforementioned actions with the benefit of personal gain/remuneration. Any person found in violation will be subject to penalties according to the disciplinary measures set forth by the company.

3. Ensuring the directors and the management of the Company including their spouse and minor children report the holding of securities and report the changes in the Company's securities holdings to SEC pursuant to Section 59 and penalty provisions under section 275 of the Securities and Exchange Act B.E.2535.

4. The company strictly forbids its directors, management, employees and staff, including the spouses and under-age children of the aforementioned, from trading the company's shares during a period of one month before the financial statements are disclosed to the public.

The Company will notify the directors, management, employees and staff of the company know about the above terms.

Anti-Corruption Policy

The Company has established an anti-corruption policy and has prepared written guidelines that will: Not accepting, not paying to obtain work / business in an unfair manner, and has reviewed such policies every year. Including promoting and communicating to employees and executives to be aware of and understand such policies continuously, which is disclosed in Attachment 5.

6.2 Business ethics

The Company has prepared a core ethics manual and policy on business operations as a framework for its operations and to encourage the Board of Directors. The company's executives and employees are committed to the business ethics to create a good corporate culture. The main preparation manuals and policies for business operations are disclosed in Attachment 5.

6.3 Major changes and developments of policies Guidelines and Corporate Governance System in the past year

- The Company holds a review of corporate governance policies and practices and guidelines. The charter of the board on an annual basis continuously. To increase the efficiency of governance in accordance with good corporate governance principles.

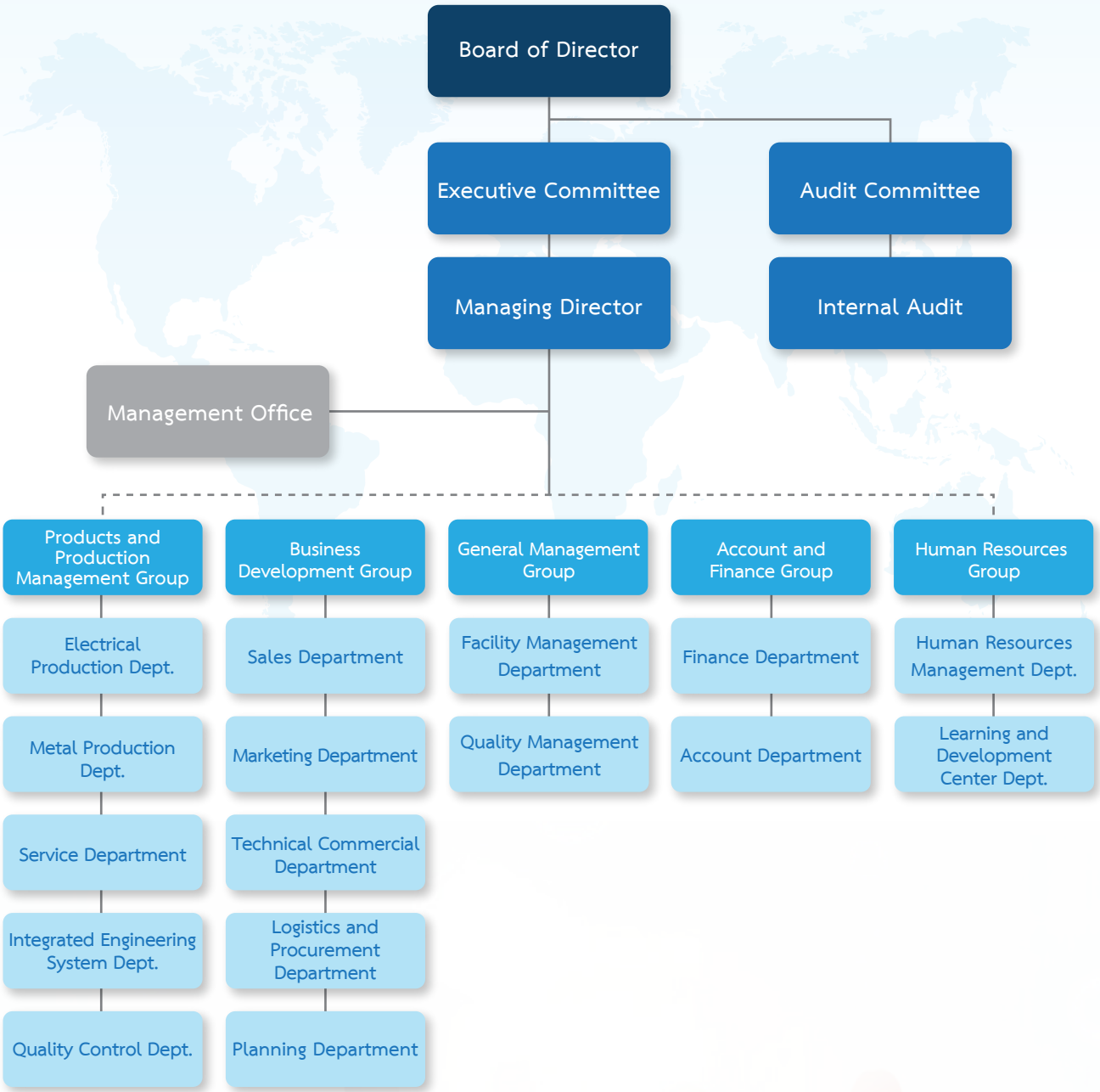
- The Company has participated in the Corporate Governance Report of Thai Listed Companies (CGR) corporate governance survey program. The rating company is within the criteria. Very good level.

- The Company has participated in the quality assessment program for holding annual general meetings of shareholders. The company scored 100 points.



7. Corporate governance structure and significant information related to the Board of Directors, subcommitees, executives, employees and others

7.1 Corporate Governance Structure



Board of Directors and Executives

Board of Directors



Mr. Soracit Phungsuk

Independent Director/
Chairman/ Chairman of
the Audit Committee



Mr. Phaiboon Ungkanakornkul

Director/Chairman of
the Executive Board/
Managing Director
(Authorized Director)



Mr. Chairat Tangtivaja

Director
(Authorized Director)



Mr. Sa-Ngeam Klomchitcharoen

Director
(Authorized Director)



Mr. Pornchai Uraisin

Director



Asst. Prof. Prasit Pittayapat

Independent Director/
Audit Committee Director



Mr. Thanomsak Chotikaprakai

Independent Director/
Audit Committee Director

Executive Committee and Chief Executive Officer of Accounting and Finance



Mr. Phaiboon Ungkanakornkul

Chairman of the Executive Board/ Managing Director



Mr. Boontherd Thongsumrit

Executive Committee



Ms. Thatsani Chaowachiwakasad

Executive Committee



Ms. Padewrada junda

Executive Committee



Mr. Wichai Soontornvutikul

Executive Committee



Mr. Pichai Panchan

Executive Committee



Mr. Burin Phraemongkol

Executive Committee



Mr. Sanya Chindaphan

Executive Committee



Mrs. Nanchalisa Rattanasittarn

Chief Financial Officer (CFO)



Mr. Soracit Phungsuk

Independent Director/
Chairman/Chairman of
the Audit Committee

Age (End of 2022)

• 75 years old

Year of Director

• 25 years from 2007

Ratio of the Company's Shares Held (11/01/23)

• 0.11 %

Qualifications and training history

• Bachelor of Electrical Engineering (Power), Far Eastern University, Philippines
• Directors Accreditation Program (DAP) 68/2008

Work experience within the last 5 years

2019–Present **Associate Judge, Samutsakhon Juvenile and family Court**

2007–Present **Independent Director/Chairman/ Chairman of the Audit Committee**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards

2000–Present **Chairman**
Company's Title: Sunco Engineering Co., Ltd.
Business Type: Repairs Large Electrical Equipment



Mr. Phaiboon Ungkanakornkul

Director/Chairman of the
Executive Board/
Managing Director

Age (End of 2022)

• 55 years old

Year of Director

• 25 years from 1997

Ratio of the Company's Shares Held (11/01/23)

• 31.56 %

Qualifications and training history

• Honorary Doctorate Degree of Science (Electrical Technology), Dhonburi Rajabhat University
• MBA, Kasetsart University
• Bachelor of Industrial Technology Program in Industrial Electricity, King Mongkut's University of Technology North Bangkok
• SML Program, The Association of National Defence College of Thailand SML2 : 2021
• Directors Accreditation Program (DAP) 67/2007
• Strategic CFO in Capital Merkets
• Director Certification Program (DCP) 250/2017, Thai Institute of Directors (IOD)
• Role of the Chairman Program (RCP 38)
• Smart Disclosure Program (SDP)
• Session Fostering CEO Relations, Session Chairing Board Meetings
• Boardroom Success through Financing & Investment (BFI)

Work experience within the last 5 years

2017-Present **In charge of Human Resources Management Department**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards

1997-Present **Chairman/ Chairman of the Executive Board/ Managing Director**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards

1999-Present **Managing Director**
Company's Title: Varitek Co., Ltd.
Business Type: Distributor of Electrical Equipment



Mr. Chairat Tangtivaja

Director
(Authorized Director)

Age (End of 2022)

• 57 years old

Year of Director

• 25 years from 1997

Ratio of the Company's Shares Held (11/01/23)

• 10.69 %

Qualifications and training history

• Bachelor of Engineering (Electrical Engineering), King Mongkut's Institue of Technology Ladkrabang
• Directors Accreditation Program (DAP) 67/2007

Work experience within the last 5 years

1997–Present	**Director** Company's Title: ASEFA PLC. Business Type: Manufacturer and Distributor of Switchboards
2005–2018	**Director** Company's Title: Fireman Corporation Co., Ltd. Business Type: Distributor of Safety Equipment
1999-Present	**Director** Company's Title: Varitek Co., Ltd. Business Type: Distributor of Electrical Equipment
1995–Present	**Director** Company's Title: Enginar Co., Ltd Business Type: Distributes and Installs Electrical Equipment



Mr. Sa-Ngeam Klomchitcharoen

Director
(Authorized Director)

Age (End of 2022)

• 56 years old

Year of Director

• 25 years from 1997

Ratio of the Company's Shares Held (11/01/23)

• 10.96 %

Qualifications and training history

• Bachelor of Engineering (Electrical Engineering), King Mongkut's University of Technology Thonburi
• Directors Accreditation Program (DAP) 67/2007

Work experience within the last 5 years

1997-Present	**Director** Company's Title: ASEFA PLC. Business Type: Manufacturer and Distributor of Switchboards
2005–2018	**Director** Company's Title: Fireman Corporation Co., Ltd. Business Type: Distributor of Safety Equipment
1999-Present	**Director** Company's Title: Varitek Co., Ltd. Business Type: Distributor of Electrical Equipment
1995–Present	**Director** Company's Title: Enginar Co., Ltd Business Type: Distributes and Installs Electrical Equipment



Mr. Pornchai Uraisin

Director

Age (End of 2022)

• 59 years old

Year of Director

• 25 years from 1997

Ratio of the Company's Shares Held (11/01/23)

• 10.85 %

Qualifications and training history

• Bachelor of Engineering (Electrical Engineering), King Mongkut's University of Technology Thonburi
• Directors Accreditation Program (DAP) 68/2008

Work experience within the last 5 years

1997-Present **Director**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards



Asst. Prof. Prasit Pittayapat

Independent Director/
Audit Committee Director

Age (End of 2022)

• 81 years old

Year of Director

• 15 years from 2007

Ratio of the Company's Shares Held (11/01/23)

• 0.07 %

Qualifications and training history

• Master Degree of Engineering, Chulalongkorn University
• Bachelor of Engineering, University of New South Wales, Australia
• Directors Accreditation Program (DAP) 68/2008

Work experience within the last 5 years

2007-Present **Independent Director/Audit Committee Director**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards

2011-Present **Chairman**
Company's Title: PP & P Design Co., Ltd
Business Type: Designs Engineering System

1968-Present **Chairman**
Company's Title: Multi System Engi-neering Co., Ltd
Business Type: Designs Electrical Engineering System



Mr. Thanomsak Chotikaprakai

Independent Director/
Audit Committee Director

Age (End of 2022)

• 59 years old

Year of Director

• 3 years from 2019

Ratio of the Company's Shares Held (11/01/23)

• 0.02 %

Qualifications and training history

• MBA, Eastern Michigan University, USA. 1987-1989
• B.Eng (Electrical Engineering), Chulalongkorn University. 1981-1985
• Director Certification Program (DCP), Thai Institute of Directors 90/2006

Work experience within the last 5 years

2021-Present **Audit Committee Director/ Independent Director**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards

2020-Present **Independent/Audit Committee Director**
Company's Titles: CIGNA Insurance Public Company Limited
Business Type: Insurance

2019-Present **Independent Director/Chairman of the Audit Committee**
Company's Titles: Varopakorn Public Company Limited
Business Type: Manufacturers and Supliers of aluminium rolled products

2009-2017 **Chief Financial Officer (CFO)**
Company's Title: TMB Bank PLC.



Mr. Boontherd Thongsumrit

Executive Committee

Age (End of 2022)

• 52 years old

Year of Director

• 7 years from 2015

Ratio of the Company's Shares Held (11/01/23)

• 0.04 %

Qualifications and training history

• Bachelor of Industrial Technology, Mechanical Technology Program, Siam University

Work experience within the last 5 years

2018-Present **Deputy Managing Director / Department Manager, Electrical Production**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards

2017-2018 **Department Manager, Technical Commercial Department / Department Manager, Electrical Production Department**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards



Ms. Thatsani Chaowachiwakasad

Executive Committee

Age (End of 2022)

• 52 years old

Year of Director

• 2 years from 2021

Ratio of the Company's Shares Held (11/01/23)

• 0.84 %

Qualifications and training history

• Bachelor of Business Administration Program in General Management, Chandrakasem Rajabhat University

Work experience within the last 5 years

12 May 2021-Present	**Executive Committee** Company's Title: ASEFA PLC. Business Type: Manufacturer and Distributor of Switchboards
1 January 2021-Present	**Assistant Managing Director** Company's Title: ASEFA PLC. Business Type: Manufacturer and Distributor of Switchboards
2018–2020	**Senior Department Manager, Marketing Department** Company's Title: ASEFA PLC. Business Type: Manufacturer and Distributor of Switchboards
2015-2017	**Department Manager, Marketing Department** Company's Title: ASEFA PLC. Business Type: Manufacturer and Distributor of Switchboards



Ms. Padewrada Junda

Executive Committee

Age (End of 2022)

• 44 years old

Year of Director

• 2 years from 2021

Ratio of the Company's Shares Held (11/01/23)

• 0.03 %

Qualifications and training history

• Master of Communication Arts Program (Innovation in Marketing Management) National Institute of Development Administration

• Bachelor, Rajamangala University of Technology Thanyaburi

Work experience within the last 5 years

12 May 2021-Present	**Executive Committee** Company's Title: ASEFA PLC. Business Type: Manufacturer and Distributor of Switchboards
1 January 2021-Present	**Assistant Managing Director** Company's Title: ASEFA PLC. Business Type: Manufacturer and Distributor of Switchboards
2018–2020	**Senior Department Manager, Marketing Department** Company's Title: ASEFA PLC. Business Type: Manufacturer and Distributor of Switchboards



Mr. Wichai Soontornvutikul

Executive Committee

Age (End of 2022)

• 56 years old

Year of Director

• 4 years from 2018

Ratio of the Company's Shares Held (11/01/23)

• 0.01 %

Qualifications and training history

• Bachelor of Economics, Thammasat University

Work experience within the last 5 years

2015-Present **Senior Department Manager**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards



Mr. Pichai Panchan

Executive Committee/ Department Manager, Finance Department/ Company Secretary/ Investor Relations

Age (End of 2022)

• 50 years old

Year of Director

• 4 years from 2018

Ratio of the Company's Shares Held (11/01/23)

• -

Qualifications and training history

• Master of Management (MBA), Kasetsart University
• Bachelor of Accountancy, Dhurakij Pundit University
• Certificate of Internal Auditor of Thailand (CPIAT)

Work experience within the last 5 years

2015-Present **Company Secretary/ Secretary of the Audit Committee/ Investor Relations/Asst. Accounting/ Finance Department Manager**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards



Mr. Burin Phraemongkol

Executive Committee/
Senior Department Manager,
Planning Department

Age (End of 2022)

• 44 years old

Year of Director

• 7 years from 2015

Ratio of the Company's Shares Held (11/01/23)

• 0.03 %

Qualifications and training history

• Bachelor of Business Administration
(Industrial Management),
University of the Thai Chamber of Commerce

Work experience within the last 5 years

2015-Present **Senior Department Manager, Planning Department**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards



Mr. Sanya Chindaphan

Executive Committee/
Senior Department Manager,
Accounting Department

Age (End of 2022)

• 43 years old

Year of Director

• 7 years from 2015

Ratio of the Company's Shares Held (11/01/23)

• 0.03 %

Qualifications and training history

• Master Degree of Accounting,
Mahanakorn University of Technology
• Bachelor of Accountancy,
Southeast Asia University

Work experience within the last 5 years

2015-Present **Senior Department Manager, Accounting Department Manager**
Company's Title: ASEFA PLC.
Business Type: Manufacturer and Distributor of Switchboards



Mrs. Nanchalisa Rattanasittarn

Chief Financial Officer (CFO)

Age (End of 2022)

• 52 years old

Year of Chief Financial Officer

• 4 years from 2018

Ratio of the Company's Shares Held (11/01/23)

• -

Qualifications and training history

• MBA, Kasetsart University
• Bachelor of Accountancy, Thammasat University
• Certified Public Accountant (CPA)

Work experience within the last 5 years

2018-Present	**Chief Financial Officer (CFO)** Company's Title: ASEFA PLC. Business Type: Manufacturer and Distributor of Switchboards
2009-2018	**Financial and accounting advisor (Independence advisor)** Business Type: Advisory

7.2 Information on the Board of Directors

The company's board of director consists of experts with knowledge and experience in management positions in the organization, then they can bring experience ability to develop policy and business direction effectively of the Company, that is the benefits to the company and shareholders. The board of director must set direction for the company, the company's policy, business plan and along with monitoring and supervision

The Board of Directors comprised of independent directors in more than one third of the total directors. The Company currently has a total 7 directors, executive director 1 people and non executive director 6 people (Including audit committee 3 people) In addition, the board of directors also appointed committees to assist in the governance of the company as belows:

1.1 The Executive Committee consist of 8 directors for setting the proposal of goals, policies, business plans, including the company's business strategies according to the board of director's policy

1.2 The Audit Committee consist of 3 directors to perform specific and submitted to the Board of Directors to acknowledge. The audit committee has rights and duties as set out in the authority of the audit committee. The audit committee of at least one person must have knowledge and experience in accounting, sufficient to serve on the review of the reliability of the financial statements of the Company.

The board of directors's policy sets that the Chairman and the Managing Director must not be the same person and determine the number of listed companies in which each director can hold no more than 5 companies, to achieve clarity on the responsibilities between policy, governance and management. The company has divided the roles and responsibilities between the Board of Directors and the Executive Management. The Board of Directors Responsible for policy and oversight of the executive. And the executive management of the Company response to act in order to comply with the policy. In order to prevent arbitrary, the company has a clearly defined scope of authority in the operations of the company (Authority Table).

The Board of Directors appoints the company secretary to response as the Securities and Exchange

The Board of Directors

The Board of Directors as of December 31st, 2022, there are 7 persons. comprises of the following members:

Name	Position	Date of Appointment
1. Mr. Soracit Phungsuk	Independent Director / Chairman	July 23rd, 2020
2. Mr. Phaiboon Ungkanakornkul	Director	April 27th, 2021
3. Mr. Chairat Tangtivaja	Director	July 23rd, 2020
4. Mr. Sa-Ngeam Klomchitcharoen	Director	April 26th, 2022
5. Mr. Pornchai Uraisin	Director	April 26th, 2022
6. Asst. Prof. Prasit Pittayapat	Independent Director	April 26th, 2022
7. Mr. Thanomsak Chotikaprakai	Independent Director	April 27th, 2021

Note: Mr. Pichai Panchan is a Company Secretary.

Authorized Directors

According to ASEFA's Articles of Association and Certification of Incorporation from the Department of Business Development of the Ministry of Commerce as of March 18th, 2015 the names of authorized signatory Director (s) are as follows: Mr. Phaiboon Ungkanakornkul, Mr. Sa-Ngeam Klomchitcharoen and Mr. Chairat Tangtivaja. Any two out of these three Directors shall commonly sign and affix the company's common seal.

Role and responsibilities of the Board of Directors

The company set the board of directors to Follow the best practices for listed companies. (Code of Best Practices) as the guideline of The Stock Exchange of Thailand. The board of director must understand and be aware of their roles and responsibilities according to the law and the Articles of Association of the Company, as well as the resolutions of the shareholders' meeting with integrity. And taking into account the interests of the Company and shareholder. The board of director must set direction for the company, the company's policy, business plan and along with monitoring and supervision.

Duties and Scope of Authority of Board of Directors

1. Board of Directors has the authority, duty and responsibility of managing the company according to the company's bylaws, objectives and regulations, including legal resolutions by the meeting of shareholders with integrity and must maintain the company's interests.
2. Board of Directors must arrange the company's balance sheets and profit-loss statements at the end of the company's accounting cycle, which must be audited by an auditor and presented to the meeting of shareholders for consideration and approval.
3. Board of Directors must set the company's goals, guidelines, policies, business plans and budgets along with monitoring and supervision, so the administration and management of executives concurs with work planning policies and setting budgets.
4. Board of Directors must consider reviews, audits and approvals of policy, strategy, business operators proposed by the executives.
5. Board of Directors must consider designating executive structures with authority to appoint the Board of Management, Managing Director and other sub-committees as deemed fitting, including set Scope of duties of the Board of Management, Managing Director, other sub-committees.

   Authorizations according to designated scopes of authority and duty with no characteristics of allowing the Board of Management, Managing Director and various sub-committees to be able to consider and approve transactions with potential conflicts of interest or conflicts of any other interests with the company or its subsidiaries (if any), except for approval of transactions in line with policies and criteria considered and approved by the Board of Directors.
6. Board of Directors may authorize a director, several directors, or any other persons to perform any actions on behalf of the board of directors under the control of the board of directors, or the board of directors may authorize the aforementioned persons to have authority as deemed necessary by the board of directors within the period of time the board of directors deems fitting. The board of directors may cancel, withdraw, change or revise authorizations as deemed necessary.

   Authorizations must not have characteristics of allowing the aforementioned persons to consider and approve of transactions in which they or other persons with potential conflicts of interests as stakeholders or other potential conflicts of interest with the company or its subsidiaries (if any), according to announcements by the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or any other announcements by related agencies. Except for approval of transactions in line with policies and criteria considered and approved by the board of directors.

Board of Directors' composition and appointment

The requirements, nomination, appointment and dismissal of the directors are set out in the Articles of Association, which can be summarized as follows.

1. The Board of Directors shall comprise of not less than 5 directors, provided that at least half (1/2) of the directors shall reside within the Kingdom of Thailand and must qualify under the law.
2. The Annual General Meeting of Shareholders shall be elected of Directors according to the criteria and method for the following
   - (1) Each shareholder shall have one vote per share.
   - (2) Each shareholder may cast all his/her vote(s) to elect one or several candidates as directors, but could not allot the votes to any person at any number.
   - (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 vevent that a number of candidates receiving anwqual number of votes for the last directorship exceed the number of directors the Company required or to be elected at such time, the Chairman of the meeting shall have a second or casting vote.

3. At every Annual General Meeting of Shareholders, one-third of the directors shall retire from the office. If the number of directors is not a multiple of three, then the number of directors nearest to one-third must retire from the office. The directors to retire from Office in the first and second years after the registration of the company shall be determined by drawing lots, after that the director who has held the office longest shall be the first person to retire. The retired shall be eligible for re-election.
4. Any Director who wishes to resign from office shall submit a resignation letter to the company. The resignation shall be effective on the date the notice reaches the Company.
5. In the case of any vacancy on the Board of Directors (other than retirement by rotation), the Board of Directors shall elect a person who is qualified and does not possess any prohibited characterize as provided hereunder, to fill in the vacancy. The election shall take place at the subsequent Board of Directors' meeting unless the remaining term of the directorship is less than two months. The replacement director 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.
6. The Shareholders' meeting may resolve to remove any director from the office before the expiration of his/her term of office by rotation. The resolution of such case shall consist of not less than three-fourth votes of shareholders attending the meeting and entitle to vote, and the total number of shares altogerther should not less than half of the total number of shares held by the shareholders attending the meeting.

Independent Directors' composition and appointment

The Board of Directors shall consider the basic features of the person to be appointed as independent directors based on qualification and disqualification of directors under the Public Law on the Securities and Exchange Commission Notification of the Capital Market Commission, including relevant rules, regulations of the Board.The Board of Directors shall consider the independent directors from experience. It will then be proposed to the shareholders' meeting to appoint a director of the Company.The Company has a policy of appointing independent directors, at least one third of the total membership and shall consist of not less than three persons.

Independent Directors' Qualification

1. Holding share of no more than 1 percent of the total voting shares of the company, parent company, subsidiary company, related company or juristic person of person who might have conflict of interest by including the shares held by the related persons.
2. Not a director or used to be a director who has a managing role, an employee, officer or consultant who receives the salary or authorized person of the company who has the influence on parent company, subsidiary company, related company, subsidiary company at the same level or juristic person who might have a conflict of interest unless such person has been released from such status not less than 2 years before the application is submitted to Securities and Exchange Commission Thailand.
3. Not a person who is related by blood or by legal registration as father, mother, spouse, siblings and child including the spouse of the child of the managing executive, major shareholders, authorized controlling persons or those nominated to be managing executives or authorized controlling persons of the company or subsidiary company.
4. Does not have or used to have the business relationship with the company, parent company, subsidiary company, related company or juristic person who might have the conflict of interest in the way that might obstruct independent decision making. The person is not or used to be a major shareholder, director who is not an independent director, or the management of those who have business relationship with the company, parent company, subsidiary company, related company or juristic person who might have a conflict of interest unless such person has been released from such status not less than 2 years before the application is submitted to Securities and Exchange Commission Thailand.
5. Is not or used to be the auditor of the company, subsidiary company, related company, or juristic person who might have a conflict of interest and not a major shareholders, director who is not an independent director, the management or audit partner of the company, parent company, subsidiary company, related company or juristic person who might have conflict of interest unless such person has been released from the status not less than 2 years before the application is submitted to Securities and Exchange Commission Thailand.
6. Is not or used to be professional service provider including legal consultant or financial consultant who receives the service fee more than 2 million baht per year from the company, parent company, subsidiary, related company

or juristic person who might have a conflict of interest. In the case where the professional is a juristic person, this shall include major shareholders, director who are not an independent director, the management or managing executive partner of the service providing entity unless such person is no longer in the status for at least 2 years before the application is submitted to Securities and Exchange Commission Thailand.

7. Is not the appointed director who represents the directors of the company, major shareholders or the shareholders who are related to the major shareholders.
8. Does not possess any characters that prevent giving an independent opinion on the operation of the business.

7.3 Information on subcommittees

The subcommittees structure of the Company consists of the Board of Directors and another two sets of the committee - Audit Committee and Executive Committee, Audit Committee and Executive Management Committee hane the qualify under Section 68 of the Securities and Exchange Act B.E. 2535 and the Regulation of the Capital Market Authority of the relevant. The authority and responsibility of committees are as follows:

The Audit Committee

The Audit Committee as of December 31st, 2022, there are 3 persons comprises of the following members:

Name	Position	Date of Appointment
1. Mr. Soracit Phungsuk	Chairman of the Audit Committee	July 23rd, 2020
2. Asst. Prof. Prasit Pittayapat	Audit Committee	April 26th, 2022
3. Mr. Thanomsak Chotikaprakai*	Audit Committee	April 27th, 2021

Remark:* Mr. Thanomsak Chotikaprakai has the knowledge and experience in accounting and finance to serve and verify reliability of the financial statement of the Company. Mr. Pichai Panchan is a Secretary to the Audit Committee.

The Audit Committee's composition and appointment

The Board of Directors will appoint an audit committee, that consisting of three members who is the independent directors of the company that has qualified by the law, including the Securities and Exchange Commission regulations and/or regulations of the Stock Exchange of Thailand. In addition, the Audit Committee shall have the following additional features.

1. Not being a director who has been assigned by the Board of Directors to decide on the operation of the company, subsidiaries, joint venture, subsidiary, company in the same order or entities that may conflict.
2. Must not be the director of parent company or subsidiary in the same level of the listed company only.
3. Must possess adequate knowledge to be able to perform duties as the audit committee, in addition, at least one member of the audit committee must have adequate knowledge and experiences to audit credibility of financial statement.

The Audit Committee holds a term of three years.

Duties and Scope of Authority of the Audit Committee

1. To review the accuracy and sufficiency of the company's financial reports.
2. To review the suitability and effectiveness of the company's internal control systems and internal audits, and to consider the independency of the internal audit agency, and to approve consideration of the appointment, transfer, termination of the head of internal audit or any other agencies responsible for internal audits include an assessment of the adequacy of the internal control system. Review of Audit Committee Charter And the audit committee's charter annually, in line with current risks and circumstances. Monitoring, management and risk control Corruption With the observation. The Board of Directors is responsible for overseeing the Company's operations. To monitor the management to speed up the performance of the issues identified by internal auditors.
3. To audit the company's compliance with the laws governing securities and exchange markets, the specifications set forth by the Stock Exchange of Thailand and the laws related to the company business.
4. To consider, select and propose the appointment of independent individuals in order to serve as the company's

auditors, to propose remuneration for the aforementioned persons, and to attend meetings with the auditors without the management at least once a year.

5. To consider related transactions or transactions with potential conflicts of interest for compliance with the laws and regulations of the stock market in order to ensure that the aforementioned transactions are reasonable and in the company's optimal interests.
6. To prepare the Audit Committee reports for dissemination in the company's annual report. The aforementioned reports must be signed by the chairman of the Audit Committee and must contain the following minimum information:
   (a) Opinions on the accuracy, completeness and credibility of the company's financial report.
   (b) Opinions on sufficiency of the company's internal control system.
   (c) Opinions on legal compliance on securities and exchange, and securities market regulations or laws related to the company's business.
   (d) Opinions on auditor's suitability.
   (e) Opinion on potential conflict of interest transactions.
   (f) Number of the Audit Committee's meetings and meeting attendance by each audit director.
   (g) Overall opinion or observation rendered by the Audit Committee receives on execution of duty in line with charter.
   (h) Other transactions that should be known by shareholders and general investors with the scope of the duties and responsibilities set forth by Board of Directors.
7. Any other operations assigned by the board of directors with the Audit Committee's approval.

The Executive Committee

The Executive Committee as of December 31st, 2022, there are 8 persons comprises of the following members:

Name	Position
1. Mr. Phaiboon Ungkanakornkul	President of Executive Committee
2. Mr. Boontherd Thongsamrit	Executive Committee
3. Ms. Thatsani Chaowachiwakasad	Executive Committee
4. Ms. Padewrada Junda	Executive Committee
5. Mr. Wichai Soontornvutikul	Executive Committee
6. Mr. Sanya Chindaphan	Executive Committee
7. Mr. Burin Phraemongkol	Executive Committee
8. Mr. Pichai Panchan	Executive Committee

Ms. Chamamas Promsakul is a Secretary to The Executive Committee.

Duties and Scope of Authority of the Executive Committee

1. To consider and propose of goals, policies, business plans and annual budgets for consideration of approval by Board of Directors.
2. The Executive Committee must supervise compliance of the company's businesses with policies, work plans and budgets approved by Board of Directors, including assessment Controlling and managing corporate risks
3. Consideration of approval of the company's regular business transactions with investments or budgets approved by the company's board of directors.The balances for each transaction must be made under authority with the approval of Board of Directors.
4. To propose of company's structure, authority to administrate the corporationfor consideration of approval by Board of Directors.
5. The Executive Committee has the authority to appoint or employ consultants associated with corporate administration for maximum efficiency.
6. The Executive Committee must consider the company's profits and losses and propose interim dividend payments or annual dividends for approval from Board of Directors.
7. The Executive Committee has the authority to authorize any person or persons to operate under the control of The Executive Committee or authorize the aforementioned person or persons to have authority as deemed fitting by the executive board of directors within a period of time deemed fitting by Board of Management. The Executive Committee may cancel, withdraw, change, or revise authorized persons or authorizations as deemed necessary.

8. Perform other duties assigned by Board of Directors.

Authorizations of authority, duties and responsibilities by the executive board of directors must not be characteristic of authorizations or temporary authorizations enabling the person or persons authorized by The Executive Committee to approve of transactions in which that person or other persons have potential conflicts of interest (according to the definitions set forth in the announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies) as stakeholders or with any other conflicts of interest with the company or its subsidiaries and/ or related companies. The Executive Committee does not have the authority to approve of actions regarding the aforementioned issues. The aforementioned issues must be presented to the meeting of the board of directors and/or the meeting of shareholders (depending upon the case) for approval, except for approval of transactions under normal business and trade conditions according to the announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.

Authority of the Executive Committee

The company has the authority to approve the credit limit for expenditures for normal business transactions of the company and for important financial transactions, with details as follows;

Approval authority	Executive Committee	Managing Director	Manager/ Senior manager
Approval of procurement of assets/ expenses that exceed the approved investment budget	Not over than 30% of each department's budget	Not over than 10% of each department's budget	-
Approval of property procurement That does not request a budget	Not over than 10 MB.	Not over than 5 MB.	-
Procurement of the main raw materials used in production	Not over than 60 MB.	Not over than 50 MB.	Not over than 0.5 MB. (1)
Approval of other procurement	Not over than 50 MB.	Not over than 40 MB.	Not over than 0.5 MB. (1)
Approval of the purchase of machinery	Not over than 50 MB.	Not over than 25 MB.	Not over than 10 MB. (1)
Quotation approval (Quotation)	Not over than 200 MB.	Not over than 100 MB.	Not over than 50 MB. (2)
Approval of production and service orders	More than 50 MB.	Not over than 50 MB.	Not over than 10 MB. (2)
Approval of products for distribution	More than 50 MB.	Not over than 50 MB	Not over than 5 MB. (2)
Approval of loan facilities for subsidiaries and joint venture related to the business operations of the company	Not over than 30 MB.	Not over than 20 MB.	-
Investment in a consortium	Not over than 150 MB.	Not over than 100 MB.	-

Remarks: (1) Logistics Department (2) Sales Department

7.4 Information on executives

The Executives and people holding executive positions (Executive Committee) and Chief Financial Officer as of December 31, 2022, there are 9 members, consisting of the names as follows:

Name	Position
1. Mr. Phaiboon Ungkanakornkul	President of Executive Committee/ Managing Director
2. Mr. Boontherd Thongsamrit	Executive Committee Deputy Managing Director– Production Dept.
3. Mrs. Nanchalisa Rattanasittarn	Chief Financial Officer (CFO)
4. Ms. Thatsani Chaowachiwakasad	Executive Committee Senior Department Manager– Marketing Dept.
5. Ms. Padewrada Junda	Executive Committee Senior Department Manager– Marketing Dept.
6. Mr. Wichai Soontornvutikul	Executive Committee
7. Mr. Sanya Chindaphan	Executive Committee Senior Department Manager– Account Dept./ The person supervising accounting
8. Mr. Burin Phraemongkol	Executive Committee Senior Department Manager– Planning Dept.
9. Mr. Pichai Panchan	Executive Committee Senior Department Manager– Coporate Finance Dept / Company Secretary

Scope of Authority and Duties of the Managing Director

1. Supervise business operations and/or administrate the company's daily work.
2. To prepare and propose of policy, strategy, business operators, budget, investment, Management Structure and rules of business according to economic situation for presentation to Board of Management and request approval from Board of Directors.
3. Response for corporate governance of the implementation and operation of the company according to policies, work plans and budgets approved by the board of directors and/ or the executive board of directors.As well as to monitor and evaluate the performance of the Company to comply with the policy and reporting the performance of management, including the progress to the Executive Committee, the Audit Committee and the Board of Directors
4. Consideration of approval of the company's regular business transactions with investments or budgets approved by Board of Directors, The limit for each item according to the Authority Table that approved by the Board of Directors, but no more than the annual budget approved by the Board of Directors, including the contracts that relating to such matters.
5. To approve the cost of doing business as usual, according to the budget approved by the Board of Directors and in accordance with the Authority Table approved by the Board of Directors.
6. Establish the Company's Structure, Appointment, employment, migration work,assigning payroll, compensation, bonus and Lay off employees since the assistant department manager level.
7. Issue orders, regulations, announcement sand various records for the company's performance in line with policies in the interests of the company, including the maintenance of discipline in the corporation.
8. Be able to authorize and/or to assign other persons to perform a particular assignment whereas this authorization has to be within the scope as specified in this copy of document or has to follow regulation, requirements or instruction of Board of Directors and/or to follow the Company's requirement
9. Perform other duties assigned by the Board of Directors or sub-committees.

On any issues where the Managing Director, persons authorized by the Managing Director, or persons with potential conflicts of interest (according to the definitions set forth in the announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies) as stakeholders or other conflicts of interest with the company and/or its subsidiaries and/or affiliated companies, the Managing Director has no authority to approve of the aforementioned issues. The aforementioned issues must be presented to the meeting of the company's board of directors and/or the meeting of shareholders (depending upon the case) in order to request approval, except for approvals of transactions in accordance with the company's regular business and trade conditions as set forth in the announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.

Directors and the Top management Recruitment and Appointment

Selecting persons to be appointed as directors of the company through a shareholders' meeting. The Board of Directors will consider the experience of knowledge, skills and qualifications required by law due to the Company has not nominating committee to select candidates for such positions. Then the meeting of shareholders will elect directors in accordance with the rules and procedures set forth in the Articles of Association.

Remuneration policy for executive directors and executives

The Company has set a Remuneration for Committee and an executive management at an appropriate level and the rate is sufficient for the treatment and management of quality without paying more than they should. And the rate can compare to other companies in the same industry. Factors to be considered the remuneration including to experience, extent of the role and responsibilities. The remuneration of Committee shall be considered by a meeting of shareholders of the Company. In terms of remuneration of executives management, according to the principles and policies set by the Board of Directors, which is determined by obligations, responsibilities, performance of each person and the results of operations of the Company.

Remunerations paid to the Board of Directors

At the Annual General Meeting of shareholder for year 2022, on April 26, 2022 resolved to determine the directors 'remuneration for the year 2022 by paying the directors' remuneration on a monthly basis. The details are as follows:

Position	Monthly Compensation Year 2022 (Baht/Month)	Monthly Compensation Year 2021 (Baht/Month)
Chairman	50,000.00	40,000.00
Audit Committee (per person)	40,000.00	30,000.00
Director (per person)	35,000.00	25,000.00

The Remunerations for the Board of Directors Year 2021 – 2022 are as belows:

Name	Number of meetings attened/ Total number of meetings Year 2022	Compensation Year 2022 (Baht)	Number of meetings attened/Total number of meetings Year 2021	Compensation Year 2021 (Baht)
1. Mr. Soracit Phungsuk	5/5	600,000.00	5/5	480,000.00
2. Mr. Phaiboon Ungkanakornkul	5/5	420,000.00	5/5	300,000.00
3. Mr. Chairat Tangtivaja	5/5	420,000.00	5/5	300,000.00
4. Mr. Sa-Ngeam Klomchitcharoen	5/5	420,000.00	5/5	300,000.00
5. Mr. Pornchai Uraisin	5/5	420,000.00	5/5	300,000.00
6. Asst. Prof. Prasit Pittayapat	5/5	480,000.00	5/5	360,000.00
7. Mr. Thanomsak Chotikaprakai**	5/5	480,000.00	5/5	360,000.00
Total		**3,240,000.00**		**2,400,000.00**

Note: In addition to the above remuneration No additional compensation

Remunerations paid to Executive Committee and Executives

In 2022 and 2021, the Company paid remuneration to the executive committee and the person taking the highest responsibility in finance and accounting of 21.34 million baht and 27.32 million baht, respectively, decreased by 5.99 million baht or 21.91 percent. Such remuneration including salaries, bonuses, Incentive, provident fund and other welfare.

Year	Number of Management (People)	Remuneration in cash (Baht)
2022	9	21,336,160
2021	9	27,321,176

7.5 Employee information

Company's number of employees as of December 31 For the year 2020 – 2022, the following details are available:

Department	Number of (people)		
	Year 2022	Year 2021	Year 2020
1. Management Office	**35**	33	29
2. Products and Production Management Group	**702**	577	587
3. Business Development Group	**369**	344	334
4. General Management Group	**34**	38	35
5. Account and Finance Group	**34**	34	33
6. Human Resources Group	**35**	36	38
Total	**1,209**	**1,062**	**1,056**

Employees' Remunerations

In 2020-2022, the Company paid monetary employee compensation (Excluding executives according to the definition of the SEC.), Baht 422.90 million baht, 432.88 million baht and 459.57 million baht, respectively. Increase 26.69 million baht. or by 6.16%, as compensation including salaries, bonuses, overtime, incentive, provident fund and other welfare.

The Company has established a provident fund as of December 31, 2022

Number of employees		Proportion of employees joining PVC/All employees (%)
PVD not participating (people)	Join PVD (people)	
526	683	56.49%

The Company has a policy to encourage the Board of Directors of the Provident Fund to comply with investment governance code ("I Code"). Therefore, the Company encourages the Board of Directors of Provident Fund to select fund managers who comply with I Code and/or manage investments responsibly with environmental factors in mind. Environmental, Social, and Governance ("ESG") is well followed by investment governance principles as it guides investments that lead to the best interests of fund members, which is long-term employees of the Company.

Personnel Development Policy

The Company is committed to being a leader in Power Distribution, Switchboard Automation and Energy Efficient Solutions in Thailand and ASEAN. With that goal in mind, the company has planned to enforce the policy that will also develop staff at all levels, focusing to improve their professionalities. Since the Company recognizies that each employee is a key in bringing the Company to success, the Company intends to empower work performance by maximizing potential, enhacing work efficiency, and improving employees' work-life quality, according to the vision, goals, and strategies of the Company. The Personnel Development policy of the Company is as follows:

1. The Company encourages employees to "never stop learning" in order to become qualified professional staffs, by providing them with knowledge and sufficient trainings in accordance with the quality management system ISO 9001: 2015. Enhacing skills and expertise in works for which they are responsible, the Company hopes that staffs in various departments such as Production, Administration, Management, as well as Engineering will have a chance to get particular skills through specialized training programs. Likewise, the Company established a Learning and Development Center Department to gather knowledge relating to the business of the Company, spreading education to students, academic institutions, customers, and employees in order to apply and further the knowledge within the Company, community, and country.

2. The Company sponsors educational resources and promotes activities that contribute to the learning and development of employees, improving both work efficiency and quality of life. Therefore, the Company established the Learning Center, ASEFA Academy and Recreational Center.
3. The Company creates a positive environment in the workplace and encourages employees to have a common value of Unity, respecting, caring and sharing towards one another, networking and cooperating to solve problems as if the colleagues were their own family. The staffs can participate in managing activities and other projects in the Company in form of committees and clubs, such as CSR committee, KAIZEN committee, 5S committee, ISO committee, food and beverage committee, safety committee and drug prevention committee for example.
4. The Company supports and encourage employees to grow along with the Company, both position-wise and income-wise, by raising their wage-level in comparison with other leading companies, not to mention paying for other compensations and incentives, such as bonus, saving funds, and other welfares.
5. The Company provides the employees with a safe working place, which can subsequently induce work efficiency, by supplying the knowledge of safety in workplace and personal protective equipment (PPE), as well as monitoring and managing environmental quality in both offices and the company surroundings.

7.6 Other important information

The person taking the highest responsibility in finance and accounting and The person supervising accounting

The person taking the highest responsibility in finance and accounting :

Mrs. Nanchalisa Rattanasittarn (Starting Date 03/09/2018)

The person supervising accounting :

Mr. Sanya Chindaphan (Starting Date 04/03/2013)

Company Secretary

The Board of Directors has resolved to appoint Mr. Pichai Panchan served as Secretary of the Company in order to comply with Sections 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008), which came into force on August 31, 2008 with responsibility, caution and integrity, as well as to comply with the law. Objectives, Company Regulations Resolutions of the Board of Directors As well as the resolutions of the shareholders' meeting. Appears in Attachment 1

The Outsourced Internal Auditor

The Company has hired an external agency, ASV and Associates Co., Ltd., to monitor the Company's internal control system, with ASV and Associates Co., Ltd. appointed by the Audit Committee of the Company and ASV and Associates Co.,Ltd. assigned to Ms. Kwunjai Kiatgungwalgri act as an internal audit supervisor by the qualifications of the internal audit supervisor. Appears in Attachment 3

Head of Compliance Unit

The Company assigned to Mrs. Kannikar Vijitratanakorn. She is the supervisor of compliance department to supervise the compliance of the official authorities that govern the company's business operations. The company has the qualifications of the supervisor of the company's operations supervisor. Appears in Attachment 3

Head of Investor Relations

Mr. Pichai Punchan

Contact :	Company Website:	www.asefa.co.th
	E-mail:	pichai-p@asefa.co.th
	Telephone:	0-2686-7777
	Fax:	0-2686-7788

Auditor Remuneration

The 2022 Annual General Meeting of Shareholders approved the appointment of ANS Audit Co., Ltd. as the Auditor of the Company, comparing the qualifications of other auditors in terms of operating standards and appropriate audit fees. The auditor's remuneration for the year 2022 was Baht 2,100,000 with a increase of Baht 220,000 equivalent to 11.70% compared to 2021, which is the audit fee and audit fee for interim financial statements for the Company's and its subsidiaries and consolidated financial statements and no other compensation.

In 2023, the Board of Directors approved the appointment of ANS Audit Co., Ltd. as the Auditor of the Company, which set the auditor's remuneration for the year 2023 amounting to Baht 2,290,000 with an increase. Baht 130,000 is 6.19% compared to 2022, which is the audit fee and audit fee for interim financial statements for the Company's and its subsidiaries' specific financial statements and consolidated financial statements and no other compensation.

Compare audit fees

Subject	Year 2023 (Baht) Propose shareholders to consider	Year 2022 (Baht)	Year 2021 (Baht)	Year 2020 (Baht)
Auditor's Remuneration	2,290,000	2,100,000	1,880,000	1,980,000

Note: For other direct expenses such as travel expenses, allowances, stamps, etc. as actually paid. The amount for the quarterly statement not exceeding 44,000 baht and the financial statements for the year not exceeding 72,000 baht.

However, this is The Auditor of the Company is the same auditor as the auditor of the subsidiary, with the auditor having no relationship and no interest in the Company/ subsidiary/ executive/ major shareholder or related person. ANS Audit Co., Ltd., Ms. Kanittha Siripattanasomchai, has been an auditor for the Company for three years (2020-2022).

8. Report on key operating results on corporate governance

8.1 Summary of duty performance of the Board of Directors in the past year

The assessment of the performance of the board of committee

The board of director determined the annual board self-assessment by adjusting the rule from Stock Exchange of Thailand and making 3 sets of the assessment which are 1) self-assessment of the entire board 2) self-assessment of the sub-committee which includes 2.1) audit committee 2.2) executive committee and 3) self-assessment of the board of committee and sub-committee individually. Those can be the frame for the examination of the board of director's performance that they has proceeded the defined good governance and/or follow the good practice for improving the board of committee's performance to match the policy and for reviewing the problem or obstacle from the previous year.

The procedures of the assessment of entire board of committee/ sub-committee/ individual are as follows:

1) The board of director is the assigned group of people to approve and review the assessment in order to make sure that it accurate, complete, and amenable to the regulations of the regulatory authorities and the rules of Stock Exchange of Thailand.
2) The company's secretary has to summit the assessment of the board of committee within the beginning of every December.
3) The board of committee has to complete the assessment and return to the company's secretary within the end of every December.
4) The company's secretary summarizes and analyzes the result of the assessment of the performance of the board of committee, after that, reports the result to the board of director.
5) The company's secretary conducts the plan by using the result and comments from the board of director in order to improve and support the board of committee to have more effective performance.

The result of the assessment of board of committee in 2021 - 2022

Self assessment of the board of committee	2022 (%)	2021 (%)
1. Self-assessment of the entire board	88.65	89.04
2. Self-assessment of the sub-committee which includes		
2.1 Audit committee	88.05	89.17
2.2 Executive committee	80.32	79.07
3. Self-assessment of the board of committee and sub committee individually	87.18	86.97

The performance of the board of committee

The board of director has determined the company's annual goal and long-term goal by comparing the result of the assessment of the performance with the defined goal whether they has been conducted according to the operation plan or not. The representative of the board of committee will report the result of the assessment to the board of director and it will be used as the indicator to define the remuneration and incentive of committees as well as the improvement for the training to increase the board of committee's proficiency.

Evaluation of top management (Managing Director)

In the Board of Directors Meeting held on February 16, 2023, the Board of Directors Acknowledged the results of the Managing Director's self-assessment. (Chief Executive Officer) Year 2022. Evaluation conducted by Non-Executive Directors through a questionnaire

following the SET guidelines which covered the subjects as follows:

- Leadership
- Strategy execution
- Relationships with the Board
- Human Resources Management/ Relations
- Product/ Service Knowledge
- Strategy formulation
- Financial planning/ Performance
- External Relations
- Succession
- Personal Qualities

The overall performance evaluation score of the managing director is 87.50 percent. Which has increased scores from the year 2022. The Company intends that the Managing Director Evaluation be done every year in order to comply with Good Corporate Governance practice and accordingly.

Orientation of new directors

The Board of Directors organizes the orientation for all new directors to provide knowledge and understanding in business and operations of the Company in order to be ready to perform their duties as director. At the same time, the Company establishes the policy to strengthen knowledge and new vision in terms of corporate governance, industry condition, technology business and new innovation for all directors in order to encourage their performance with effectiveness and be able take the position as directors as soon as possible and also assign the Company Secretary to be a coordinator in various matters. In the year 2022, the company has not changed directors and no new directors.

Succession plan for high level executives

Board of Directors realized the importance of the succession plan of Managing Director, Deputy managing director and Top executives in each department of the organization. This is to ensure that the company There are executives who are knowledgeable for sufficient ability to perform the duties as follows;

(1) The Board of Directors shall prescribe the development plan to provide the successor plan for Managing Director, Deputy managing director and Top executives in each department of the organization.

(2) The Executive Committee shall prescribe the qualification, knowledge, competency and experience of each position in order to select the executive who has qualifications in compatibility with required qualifications in each position.

(3) The Executive Committee shall evaluate the performances and knowledge of the executives having the qualifications comparatively equal to the level of required competency in order to make the Individual Development Program to reduce the competency gap.

(4) To assign HR team to monitor and follow up on the trainings to develop knowledge and competency of the successor of Managing Director, Deputy managing director and top executives in each department.

(5) The top management of each line of work provide duty rotation Responsibilities of executives with consistent qualifications.

(6) The top management of each line of work Performance report and the development results in accordance with the individual development plan of the executives who have the qualifications consistent with the Executive Committee once a year.

(7) The Executive Committee review and summarize the results succession plan for the position of managing director, Deputy Managing Director and high level executives in each line of work on a regular basis and report to the Board of Directors once a year.

Meeting attendance and remuneration payment to each Board member

Board of Director's meeting

Name	Attended (Times)	
	2022	2021
1. Mr. Soracit Phungsuk	5/5	5/5
2. Mr. Phaiboon Ungkanakornkul	5/5	5/5
3. Mr. Chairat Tangtivaja	5/5	5/5
4. Mr. Sa-Ngeam Klomchitcharoen	5/5	5/5
5. Mr. Pornchai Uraisin	5/5	5/5
6. Asst.Prof. Prasit Pittayapat	5/5	5/5
7. Mr. Thanomsak Chotikaprakai	5/5	5/5

Schedule of Board of Directors Meeting

In 2022, the board set the 2023 and 2024's meeting schedule and agenda in advance (This schedule is subject to change), which does not include special meetings as follows;

1. The regular meeting be arranged at least once every quarter (4 times a year), the Board meeting's schedule in advance for 1 entire year and with a special session meeting allowed to be convened as deemed necessary. At least 2/3 of the total number of directors shall be presented to form a quorum at the time of the Board passing a resolution.

2. The Company screens the proposed items to make certain that all crucial issues are included in the agenda. The Company Secretary submits an invitation letter complete with the meeting agenda and accompanied by related documents to all board members at least 7 days ahead of the meeting date to allow the board members sufficient time to consider the issues. As well as recording minutes of the meeting and keep the minutes of the meetings that approved by the Board of Directors, so the Board of Directors and related parties can verify.

Board meeting schedule

No.	Audit Committee Meeting		Board of Director Meeting	
1.	February 16, 2023	1.30 pm – 3.00 pm	February 16, 2023	3.00 pm – 5.00 pm
2.	May 11, 2023	1.30 pm – 3.00 pm	May 11, 2023	3.00 pm – 5.00 pm
3.	August 10, 2023	1.30 pm – 3.00 pm	August 10, 2023	3.00 pm – 5.00 pm
4.	November 9, 2023	1.30 pm – 3.00 pm	November 9, 2023	3.00 pm – 5.00 pm
5.	February 15, 2024	1.30 pm – 3.00 pm	February 15, 2024	3.00 pm – 5.00 pm

Attending the development and training of directors and executives.

The company pays attention to human resource development at all levels continuously. In the year 2022, the company's directors and executives have developed and trained as follows ;

No.	Name	Position	Training course
1.	Mr. Phaiboon Ungkanakornkul	Director/ President of Executive Committee/ Managing Director	- Advanced Certificate Course in Public Administration and Law for Executives - Participation Strategic Thinking and Strategy Implementation
2.	Mr. Boontherd Thongsamrit	Executive Committee	- Participation Strategic Thinking and Strategy Implementation - ISO 9001:2015 & ISO 14001:2015 Integrated Management System and Integrated Internal Auditor
3.	Mrs. Nanchalisa Rattanasittarn	Chief Financial Officer (CFO)	- Participation Strategic Thinking and Strategy Implementation - Overview of financial reporting standards - All TFRS editions 2022. - Financial Fraud: Financial fraud is closer than you think. - Controls to prevent and detect fraud that may occur.

No.	Name	Position	Training course
4.	Ms. Thatsani Chaowachiwakasad	Executive Committee	- Participation Strategic Thinking and Strategy Implementation
5.	Ms. Padewrada Junda	Executive Committee	- Participation Strategic Thinking and Strategy Implementation
6.	Mr. Wichai Soontornvutikul	Executive Committee	- Participation Strategic Thinking and Strategy Implementation
7.	Mr. Sanya Chindaphan	Executive Committee	- Participation Strategic Thinking and Strategy Implementation - Personal Data Protection Act (PDPA) - Contemporary Technology for Accountant - Set up positive accounting system - Digital accounting transformation experience - Fair Value Measurement
8.	Mr. Burin Phraemongkol	Executive Committee	-Participation Strategic Thinking and Strategy Implementation - Logistics and Supply Chain Strategies for New Generation Manufacturing Executives
9.	Mr. Pichai Panchan	Executive Committee	- Participation Strategic Thinking and Strategy Implementation - Personal Data Protection Act (PDPA) - Using PDPA Documentation - Overview of Financial Reporting Standards. -TFRS Issues: Observations on the audit quality of the Office of the Securities and Exchange Commission 2013-2020

Customer satisfaction survey

The important strategies for competition of the company are focus on satisfying service for all groups of customers. The company will survey the satisfaction of users of products and services every month and summarize the yearly overview and use the results to improve efficiency. In 2021, customer satisfaction survey will cover product and service quality, the result as follows

Organizational quality target: Satisfaction for the year 2022

No.	Topic	Project value level / Importance level			Average percentage
		Compact project/ Importance level 3	Medium project / Importance level 2	Large project / Importance level 1	
1	Group A-Direct buyer group	87.61%	85.43%	82.46%	**85.85%**
2	Group B-Related group	0.00%	97.50%	100%	**97.78%**
3	Group C-User group	85.63%	92.50%	92.50%	**88.57%**
Total		**86.08%**	**89.64%**	**86.42%**	**86.91%**

Summary of the overall customer satisfaction survey scores in each customer group, as follows

1. Direct buyer group	The average satisfaction survey results are	85.85%	Pass the criteria
2. Related group	The average satisfaction survey results are	97.78%	Pass the criteria
3. User group	The average satisfaction survey results are	88.57%	Pass the criteria

Remarks : Criteria for satisfaction survey of each group must be at least 80%

Use of inside information to seek benefits

The Company has established a policy to prevent the use of internal data for exploitation to prevent the use of the information for trading the Company's securities by requiring directors and executives, as well as departments involved in important information, to refrain from trading securities of the Company, such as abstaining from trading for 1 month in advance of the financial statements, and being able to trade after 1 business day of publication, as well as refraining from trading during the period of other important information that directors and management know about, but that information has not yet been released to investors.

In recent years, directors and executives have not been found to have traded securities during the company's termination of trading. In addition, the company has begun implementing the Electronic system. It is used to optimize reporting with both directors. Executives and employees as well.

Anti-Corruption

In recent years, the Company has established an anti-corruption policy of the Company and its subsidiaries to have nothing to do with corruption by prohibiting directors. Executives, employees at all levels of the Company and its subsidiaries Engage in all forms of corruption directly or indirectly. Bribery and pursuit Undue benefits in various ways, such as calling, receiving, offering or providing assets. including any other benefit to government officials or any other person who do business with the Company or its subsidiaries for the benefit of themselves, others, or creating business opportunities. The policy must be reviewed every year. and disclosed in Attachment 5.

Complaints and whistleblowing

Anyone who knows the complaint or honest doubt whether they are damaged or not can report complaints or whistleblowing of the misconduct of directors, employees or any other person acting on behalf of the company. The company encourages whistleblowers to reveal their identities and / or provide sufficiently clear evidence about the misconduct of the complainant. And should provide contact information as a means of communication with the company. The channels for reporting complaints or whistleblowing as follows

1.) By mail

Contact: Management Office (Corporate Secretary Division)
Address: ASEFA Public Company Limited
5 Moo 1 Rama II Rd., Khok-Krabue, Mueang Samutsakhon, Samutsakhon 74000

2.) By E-mail

Contact: Management Office (Corporate Secretary Division)
E-mail Address: asefa@asefa.co.th

3.) Company Website

Contact: www.asefa.co.th

Complaint handling

Management Office (Corporate Secretary Division) Or the assigned person from Audit Committee is responsible for managing, collecting, screening, checking complaints or whistleblowing and consider the sufficient clarity of the evidence at the beginning. If the information is true, to the committee proceeds to gather evidence and witness for prepare reports and comments to propose to the audit committee. If the misconduct is caused by intention or affecting the business of Company with significant. The audit committee will consider and implement the appropriate measures to improve.

Whistleblower Protection Measures

Protecting the rights of complainants or clues and preventing bullying As a result of the complaint or information, the Company will conceal the name, address or any information that can identify the complainant, the informant, and keep the information of the complainant and the informant confidential, limiting it to the wrong person to conduct a complaint investigation. ("Related Persons") persons concerned who have been informed of or information relating to the complaint must maintain confidential information and not disclose it to any other person unless required to disclose it in accordance with the requirements of the law or for the investigation of the complaint. If there is a deliberate breach, expose the information. The Company will punish the person involved in accordance with the Company's regulations and/or take action. The law, as the case may be.

Shareholding of the Board of Director and Management

Shareholding of the Board of Director, Spouse and underage children on January 11, 2023

Name	Ordinary shares		
	January 11, 2023	December 30, 2021	Change Increased/ (Decreased)
1. Mr. Soracit Phungsuk	600,000	600,000	-none-
Spouse	600,000	400,000	200,000
2. Mr. Phaiboon Ungkanakornkul	173,560,000	173,560,000	-none-
Spouse	26,440,000	26,440,000	-none-
3. Mr. Sa-Ngeam Klomchitcharoen	60,265,700	60,265,700	-none-
Spouse	170,000	170,000	-none-
4. Mr. Pornchai Uraisin	59,658,900	59,658,900	-none-
Spouse	180,000	180,000	-none-
5. Mr. Chairat Tangtivaja	58,780,000	58,780,000	-none-
6. Asst.Prof. Prasit Pittayapat	400,000	400,000	-none-
7. Mr. Thanomsak Chotikaprakai	105,000	90,000	15,000

Shareholding of the Board of Management, Spouse and underage children on January 11, 2023 (According to the definition of the S.E.C)

Name	Ordinary shares		
	January 11, 2023	December 30, 2021	Change Increased/ (Decreased)
1. Mr. Phaiboon Ungkanakornkul	173,560,000	173,560,000	-none-
Spouse	26,440,000	26,440,000	-none-
2. Mr. Boontherd Thongsamrit	220,000	220,000	-none-
3. Mrs. Nanchalisa Rattanasittarn	-none-	-none-	-none-
4. Ms. Thatsani Chaowachiwakasad	4,601,900	4,515,900	86,000
5. Ms. Padewrada Junda	170,000	170,000	-none-
6. Mr. Wichai Soontornvutikul	48,400	48,400	-none-
7. Mr. Sanya Chindaphan	145,000	145,000	-none-
8. Mr. Burin Phraemongkol	190,000	190,000	-none-
9. Mr. Pichai Panchan	-none-	-none-	-none-

8.2 Report on the results of duty performance of the Audit Committee in the past year

The Audit Committee's meeting

Name	Attended (Times)	
	2022	2021
1. Mr. Soracit Phungsuk	4/4	4/4
2. Asst. Prof. Prasit Pittayapat	4/4	4/4
3. Mr. Thanomsak Chotikaprakai	4/4	4/4

In 2022, the Audit Committee held a total of 4 meetings and regularly reported the summaries to the Company's Board of Directors in every quarter. The attendance of Audit Committee member is as follows:

Mr. Soracit Phungsuk	Chairman of the Audit Committee	attending 4/4 meetings
Asst. Prof. Prasit Pittayapat	Audit Committee	attending 4/4 meetings
Mr. Thanomsak Chotikaprakai	Audit Committee	attending 4/4 meetings

In some meeting, the Audit Committee consulted with the external and internal auditors in conformance with the meeting's agenda, and in every meeting the Audit Committee is able to express their opinions and suggestions freely.

The Audit Committee carried out all its duties within the limitations delegated by the Company's Board of Directors and in accordance with the guidelines of Asefa Public Company Limited, which are in conformance with the regulations set forth by the Stock Exchange of Thailand. According to the standard policy, the Company must follow the principles of good governance and be aware of how to promptly manage risk that might affect the organization. The details are summarized as follows:

- Push and follow. To develop and upgrade the internal audit of the company. Risk Management System and Anti-Corruption
- Give priority and follow up on important issues to ensure that the Company has Good management
- Give importance to the performance of executives and employees in conducting business with integrity. It is transparent, verifiable, and complies with laws, rules, and regulations. Related and encourage the development of new innovations by using information technology systems to detect and prevent fraud.

At the meeting of the Audit Committee had discussions with the management internal auditor and auditors in related matters Summary of important matters. The work duties can be summarized as follows:

1. Review the financial statements.

The Audit Committee thoroughly reviewed the quarterly, annual, and consolidated financial statements of 2022 of ASEFA Public Company Limited and found that the reports of the Company and its subsidiaries were prepared accurately and according to the generally accepted accounting standards. The review on important issues and particular transactions has been clarified by the auditors and director of the auditing institute, so it is guaranteed that the financial statement, including the financial disclosure, is within the laws and financial reporting standards.

2. Review the efficiency of the internal control.

According to the internal control review of the Company as specified by the internal control sufficiency evaluation conducted by the Management as required by the Securities and Exchange Commission, and according to the auditing results from the internal audit agency and auditors, there are no significant issues or deficiencies that could impact the Company.

3. Monitor the internal control operation.

The Audit Committee reviews the Audit Committee Charter as well as the charter of the auditing agency every year to make sure they are updated to the current risks and situations. Moreover, the Committee has considered Appoint internal auditors and reviewed the auditing plan, including the management and risk control as well as corruption. The Committee then provided the notes and proposed them to the Board in order for the Company to follow up on the issues by urging the Management to improve its operation according to what the internal auditor suggested.

4. Review the process in line with the law related to securities and stock exchange and regulations of the Stock Exchange as well as related laws relevant to the Company's business operation.

The Audit Committee has consistently reviewed the Company's business operation in order to guarantee that the Company has followed the laws related to securities and stock exchange, regulations of the Stock Exchange of Thailand, and laws related to the Company's business operation.

5. Review the related transactions and the potential conflict of interest in line with the laws and regulations of the Stock Exchange.

The Audit Committee considered the financial transaction reporting and the disclosure of related transaction in the notes of the quarterly and annual financial statement. The Committee has independently expressed its opinion on the transactions related to the obtained-and-distributed assets of the Company that were used as investment in important projects of the Company and its subsidiaries.

6. Nominate an independent entity as the Company's auditor.

The Audit Committee annually nominate candidates to be the Company's auditor to the Board of Directors, who then proposes these nominees to the B.E.2565 (2022) Annual General Meeting for appointment and the AGM unanimously approved of the selection of ANS Audit Co., Ltd., to be the B.E.2565 (2022) Auditor for the Company and subsidiaries.

7. Disclose the Audit Committee Report in Annual Registration Statement/ Annual Report 2022 (Form 56-1 One Report)

The Audit Committee has prepared the report correctly and sufficiently. Which was disclosed in Annual Registration Statement/ Annual Report 2022 (Form 56-1 One Report)

8.3 Summary of the results of duty performance of subcommittees

Executive Committee

In the year 2022, the Executive Committee performed duties as assigned by the Board of Directors. At full capacity in overseeing business operations to achieve the set business goals to build confidence and credibility for investors and stakeholders. In which the Executive Committee has held a joint meeting at least once a month, which can be summarized as follows:

1. Consider and present the goals, policies, business plans and annual budgets to the Board of Directors approve by reviewing and improving the operational plan in accordance with the strategy of the organization.
2. Supervise and monitor the Company's business operations to be in accordance with the policy plans and budgets Including assessment Controlling and managing corporate risks and presenting them to the Board of Directors.
3. Consider and approve the normal business operations of the company. Shall be in accordance with the operation power grid which has been approved by the board of directors.
4. Consideration of the operating results the company's profits and losses Proposal of interim dividend payment or annual dividends for submission to the Board of Directors for approval.
5. Other duties as assigned by the Board of Directors.

9. Internal control and related party transactions

9.1 Internal Control

ASEFA Public Company Limited takes internal control seriously, focusing on a system that is comprehensive in scope of activities as well as adequate and suitable for its businesses to achieve these objectives:

1. **Operation** - Ensure efficient, effective management of resource consumption, together with stewardship of assets through prevention or reduction of errors, damage, waste, or fraud
2. **Reporting** - Ensure that financial and other reports developed for internal and external consumption are accurate, transparent, credible, and timely
3. **Compliance** - Ensure strict compliance with laws, regulations, directives, cabinet resolutions, and policies as well as PTT management's protocols dealing with the organization's business.

In this regard, in the Board of Directors' Meeting No. 1/2023 on February 16, 2023, ASEFA's Internal Control System was evaluated based on the internal control assessment report prepared by the Management which follows the guidelines of the Securities and Exchange Commission (SEC), together with the result of the Audit Committee's internal contro review. By evaluating the internal control system of the company in various aspects, 5 parts consisting of;

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

Board of Directors Considered that Internal control system of the company, there is sufficient and appropriate. The Company has provided personnel sufficiently to operate the company's business according to Good Corporate Governance and transparency. Furthermore, the Company has provided the Company and Subsidiary Company's Operation Tracking Systems to prevent Committees and Executives to use the Company and Subsidiary Company's property improperly or without authority. The Company also has sufficient control systems in transaction with the person with a potential conflict of interest and associated individuals, with the following summary.

1. Control Environment

The Company's organizational environment and structure favor implementation of the internal control system. This year, ASEFA made a change to the organizational structure, adding Legal and Corporate Compliance to centralize compliance with laws, regulations, and rules of assorted agencies in a clear and tangibly measured way to guide employees' work. Its business goals are deliberated by the Board in a clear and measurable way for use as concrete guidelines for employees. Employee incentives or compensation has undergone a critical analysis for sensibility. A proper organizational structure favors efficient business execution by the management. The management also consistently values business integrity and ethics.

In the area of corporate governance, the company has established a corporate governance structure consisting of the Board of Directors. And sub-committees such as the Executive Committee Audit Committee. Each committee has responsibility to shareholders regarding the business operations of the company and supervising the management to be in line with the goals for maximum benefits to shareholders, with the framework of good ethics and social responsibility, promote and monitor the progress of the process of developing good corporate governance and social responsibility continuously.

The Board is independent from the Management and is responsible for supervising the overall operations of ASEFA as well as expressing views on the directions and strategy of ASEFA which will be used as guidelines to formulate business and operating plans. Furthermore, the Board regularly monitors the performance of ASEFA and its Sub-committees to ensure achievement of ASEFA's objectives and goals.

ASEFA's corporate structure has been grouped into business units and functions in a way to best support its business operations in an efficient manner and with good governance. This structure comes with a system of checks and balances which delegates duties and responsibilities appropriately. Furthermore, all employees acknowledge their roles, authorities, responsibilities and accountabilities.

In terms of anti-corruption, the company has a policy to fight against corruption. And there is a policy review every year Including the preparation and study of the practice for participation in the anti-corruption program, the Thai Private Sector Collective Action Coalition Against Corruption (Collective Anti-Corruption: CAC). In addition, the company has encouraged employees to attend training communication with executives and employees. Continuously recognize and understand the rules and procedures in such matters.

2. Risk Assessment

In the year 2022, the Enterprise Risk Management team consisting of executives of each department acting together to assess both external and internal risk factors including emerging risks that have an impact on the company's goals and business operations. By specifying risk factors risk management plan, monitoring risk management of various departments by reporting to the Executive Committee and the Board of Directors on a quarterly basis.

3. Control Activities

The Board of Directors had appointed 2 sub-committee consisting of the Executive Committee and Audit Committee. The 2 groups of committee had performed the work under the scope or duty assigned under the monitoring of the executive. Moreover, the Audit Committee has considered and reviewed and approve the annual internal audit plan in order to cover every work operation process with high risk and to cover the anticipation of people related to the Company which makes the Company to be sure that the various agencies had sufficient control of the work operation on the finance, work operation, law and compliance, rule, regulation, and the anti-corruption. The Audit Committee has considered the important point and the problem found from an inspection by proposing the executive to revise and to have the report of the revision result and prevent measures. In case of entering into a transaction with business or relevant people which might lead to the conflict of interest between companies and the business or related people with the Company. The business that happens must go through the approving process according to the regulation of the company just like a normal business and related people to the making of item must consider that transaction is reasonable and according to the normal business by considering the highest benefit of the company and shareholders as it is an action without side people and legal. The business that would bring about the conflict of interest and the said people with interest would not have the right to vote and reveal the information according to the law.

The Company is determined to develop the production and services in order to be accepted in the international standard and to focus on safety in the work and environment maintenance. The Company has separate section from the production line to perform of the duty of inspecting and following up to comply with rule and specification regularly. As for the business on finance, purchase and procurement, stipulated the staff and executive must comply the Authority Table and "Procurement Control Manual" specified in writing by clearly stated the criteria, condition and the power in approving to pay the money and entering in procurement contract in order to be careful and prevent fraud in money-related transaction.

4. Information and Communication

To propose the matter for the Board of Directors to consider, the Company has arranged important information so that the Board of Directors would use in the decision-making by making analytical report comparing the principle and reason along with documents and send the information for studying in advance for 7 days. There is secretary of the Company to provide recommendation on the regulation and various rules and supervise the business of the Board of Directors and coordinate so that there would be operation according to the resolution of the Board of Directors and the agency which is the center in making and storing documents including Director registry, Board of Directors Meeting appointment letter, minutes of the Meeting of the Board of director, shareholder meeting appointment letter and minutes of shareholder meeting orderly so that shareholders can verify the suitability in the work operation of directors. As for the storing of accounting record and various accounting, the Company would store it completely in every category for transparency and to be work operation information without notification from an auditor that there is a flaw in this matter.

The Audit Committee has considered along with an auditor, internal audit and related people in making the financial statement of the company in every quarter in order to make sure that the company has used accounting policy according to the general accounting principle and suitable with the business type of the company and to reveal suitable information according to the law.

5. Monitoring Activities

The Company has followed up on the work operation whether it is according to the target by having the Meeting of the Board of Directors in 2022 for the total of 5 times, Audit Committee the total of 4 times and Executive Committee of 12 times in order to follow up the work operation in each level starting from the Board of Directors, the Audit Committee, the Executive Committee and Executives in order to follow up the target and supervise the work operation according to the strategy, work plan and the project in the annual business plan that has been approved from the Board of Directors and to solve problems that might happen and to adjust the work plan so that it is consistent with the changed situation and when it is found that the work operation result is different from the specified target and specified the responsible people to present the report in order to review the work operation and analyze the including co-consider to approve the plan to solve problems and to continuous report. The Company has arranged regular internal control system audit. The executive would be responsible in supervision of the internal control system and there is Internal Audit Department to inspect and report the result independently to the Audit and Corporate Governance Committee.

The Audit Committee's Opinion about Internal Control

In 2022, ASV and Associates Co., Ltd., which is an Independent Internal Audit Firm, examined and tracked several management systems, which 4 quarters, including, compliance with consisting of 1) Human resource management process 2) Payment process 3) Warehouse management process 4) Delivery process to customers. including giving some advices to the Company for improving check and balance in every Performance Systems which it would help develop the quality of Internal Control Systems continually and cause the Company to have good governance system. The Company has operated in solving issues as ASV and Associates Co., Ltd. had advised already.

Actions of the Audit Committee

The Audit Committee of Asefa Public Company Limited consists of 1) Mr. Soracit Phungsuk, Chairman of the Board of Audit 2) Asst.Prof. Prasit Pittayapat, Audit Directors 3) Mr. Thanomsak Chotikaprakai, Audit Directors. The scope for the key duties and responsibilities according to the Audit Committee Charter is to care for the Company's financial reports in compliance with generally accepted accounting standards and principles for checking the company's operations to ensure compliance with good governance principles with an efficient internal control system incompliance with related specifications and laws, and supervision of cases involving potential conflicts of interest between the Company and associated individuals. In 2022, the Audit Committee held a total of 4 meetings with the following key topics:

1. The Audit Committee has examined the quarterly financial statements and the financial statement for 2022 with the management and accounting auditors in order to assure that the company's financial reports have been prepared accurately in accordance with Thai Financial Report Standards (TFRSs) and with sufficiently complete disclosure of information and credible notes accompanying the financial statement, as well as the observations and acknowledgement of the problem-solving guidelines in the interests of the Company.
2. Consideration of the disclosure of information on connected and related transactions and the person with a potential conflict of interest accurately, absolutely, and sufficiently. Moreover, the company has performed according to the business terms and criteria set forth by the Stock Exchange of Thailand.
3. Supervise internal audit work to perform independently by arranging to hire ASV and Associates Co., Ltd. which is the firm that provides internal audit services with an outside assessment, to perform the company's internal audits with the Audit Committee as the party considering the annual audit plans, reporting on internal audits, continually following up on internal audit findings with the management in order to instill confidence that operations associated with the annual internal audit plans are carried out efficiently and effectively whereby the findings of the annual internal audit in 2022 discover no indication of fraud, risk issues and no errors in terms of key internal controls. Also consider approving the internal audit plan for 2023.

4. Evaluate the internal control system according to the guidelines set forth by the Capital Market Supervisory Board and the Stock Exchange of Thailand which cover controlling the organization, risk management, controlling work performance, information and communication systems, and tracking system. The Audit Committee has rendered the opinion that the company as having sufficient and effective internal control.
5. Consider the appointment and propose the remuneration of the auditor for the year 2022 by proposing to the Board of Directors to appoint and nominate 5 auditors 1) Mr. Atipong Atipongsakul CPA License No.3500 and/ or 2) Mr. Vichai Ruchitanont CPA License No.4054 and/or 3) Mr. Sathien Vongsnan CPA License No.3495 and/or 4) Ms. Kultida Pasurakul CPA License No.5946 and/ or Ms. Kanittha Siripattanasomchai CPA License No.10837 from ANS Audit Co., Ltd as the company's accounting auditors, which compensation are stipulated 2,100,000 Bath in total, And there is no other compensation. By the appointed auditor have no relationship or interest with the Company and its subsidiaries, executives, major shareholders or related persons In order to propose to the Annual General Meeting of Shareholders for approval.

The Audit Committee has meticulously performed duties with prudence and independence including expressed opinions straightforwardly with no limitations in receiving information with good cooperation from the company, and also committed to good governance concurrent according to the principles of the Stock Exchange of Thailand in order to assure transparency and ethics to build confidence among shareholders, investors, customers, and all related parties.

The person responsible for the internal audit

The Company has outsourced external firm which is ASV and Associates Co., Ltd. to perform the duty of auditing the company's internal control systems. ASV and Associates Co., Ltd. was appointed by the Company Board of Audit ASV and Associates Co., Ltd. has assigned Ms. Kwunjai Kiatgungwalgri to perform duty as Internal Audit Supervisor which has qualifications as follows:

Internal Audit :	ASV and Associates Co., Ltd.
	Ms. Kwunjai Kiatgungwalgri, Responsibility to Internal Audit
Education :	- Master of Accountancy, University of Texas at Austin
	- Bachelor of Accountancy, Thammasat University
Certificate :	- List of auditors approved by the office of SEC
	- Certified Public Accountant (Thailand and United States of America)
	- Certified Internal Auditor (United States of America)

However, consideration, approval, appointment, deprivation, and transfer the one who holds a position of Internal Audit Supervisor in the Company must be permitted (or must be approved) by the Audit Committee first.

9.2 Related Transaction

Relationship

ASEFA Public Company Limited ("the Company") has related transactions with individuals posing potential conflicts of interest comprising shareholders and/or company executives. During the years 2020 - 2022, the nature of the relationship can be summarized as follows:

<table>
<tr><th>Person with Potential Conflict of Interest</th><th>Type of Relationship</th></tr>
<tr><td>Enginar Co., Ltd. ("ENG")
The distributor of electrical equipment, air conditioning and electrical installation.
- ATS (Automatic Transfer Switch) brand ASCO in Emerson Industrial Automation Group, which is a high-quality Double Throw that can have uninterrupted power supply during power failure. Lasting longer than the typical ATS, ATS has higher cost more than other brands, so it is for a quite specific customer who only uses ATS's ASCO.
- Clipsal – Bus lighting System, Driver computerized lighting system.
- Cirpark System, navigation system for parking
- Room Control Unit System (RCU) Control temperature and lighting system in the room.</td><td>• Has Authorized Director together: Mr. Chairat Tangtivaja and Mr. Sa-Ngeam Klomchitcharoen
• Shareholders together
<table><tr><th rowspan="2">Shareholders</th><th colspan="2">ASEFA</th><th colspan="2">ENG</th></tr><tr><th>share</th><th>%</th><th>share</th><th>%</th></tr><tr><td>1. Mr. Phaiboon Ungkanakornkul*</td><td>221,031,500</td><td>40.19</td><td>2,500</td><td>5.00</td></tr><tr><td>2. Mr. Sa-Ngeam Klomchitcharoen</td><td>60,265,700</td><td>10.96</td><td>22,000</td><td>44.00</td></tr><tr><td>3. Mr. Chairat Tangtivaja</td><td>58,780,000</td><td>10.69</td><td>22,000</td><td>44.00</td></tr><tr><td>4. Mr. Pornchai Uraisin</td><td>59,658,900</td><td>10.85</td><td>2,500</td><td>5.00</td></tr></table>Note: shareholders data as of January 11, 2023
*Total holding of the person concernedUngkanakornkul's family
Mr. Chairat Tangtivaja, Mr. Sa-Ngeam Klomchitcharoen and Mr. Pornchai Uraisin confirmed to the Company that he will not engage in any business that has the same nature and not engage in competition company, also not be a partner, a shareholder or a director in other companies that has the same nature with the Company.</td></tr>
<tr><td>Varitek Co., Ltd. (VRT)</td><td>• Operate a business as a distributor of Electrical, Water supply and air conditioning system, by the Company holding 99.99% of the shares. At present, the registered of capital is 15 million baht.</td></tr>
<tr><td>ASEFA - Suntech Joint Venture</td><td>• A joint venture company with Suntech Engineering Co., Ltd. The Company holds 50.00 percent (the percentage of share of profits from the project) with the registered of capital is 2 million baht to purchase demolition projects of Bang Pakong Combined Cycle Power Plant Unit 1 and Unit 2 of the Electricity Generating Authority of Thailand, including project management until completed.</td></tr>
<tr><td>ASEFA and VARS Joint Venture</td><td>• A joint venture between the company and VARS Company Limited, The Company holds 50.00 percent (the percentage of share of profits from the project) with the registered of capital is 2 million baht. The purpose of the joint investment to operate in the underground electrical distribution system and other related engineering tasks.</td></tr>
</table>

Person With Potential Conflict of Interest	Type of Relationship
ASEFA and UMI Joint Venture	• A joint venture between the company and UMI Engineering Co., Ltd., The Company holds 50.00 percent (the percentage of share of profits from the project) with the registered of capital is 1 million baht. The purpose to operate energy-saving systems and equipments Air conditioning system and other related engineering.
AY Solution Joint Venture Co., Ltd.	• The company holds 48.00% of shares with an initial capital of 1 million baht to operate the electrical and communication system type of underground cable, and other related engineering works.
Mr. Phaiboon Ungkanakornkul	• Being in charge of Director, Board of Management and Managing director positions. • Shareholder of 221,031,500 shares (Total holding of the person concerned.) percentage 40.19 of the number of shares sold of the Company at January 11, 2023.
Mr. Sa-Ngeam Klomchitcharoen	• Being in charge of Director. • Shareholder 60,265,700 shares, percentage 10.96 of the number of shares sold of the Company at January 11, 2023.
Mr. Chairat Tangtivaja	• Being in charge of Director. • Shareholder 58,780,000 shares, percentage 10.69 of the number of shares sold of the Company at January 11, 2023.

Related Transaction Details

In 2020 - 2022, the Company carried out transactions with individuals who might have potential conflicts of interest with the following transaction details:

Varitek Co., Ltd. (VRT)

Relationship	Description of important items	Total amount remaining (Million Baht)			Conditions of price/Necessity
		2022	2021	2020	
The Company ownership interest 99.99	1. Goods sale	0.63	2.36	0.49	The Company sells electrical equipment to VRT which is a normal business transac-tion. In terms of price, it is in line with the market price.
	2. Service revenue	-	0.51	0.95	Service fees that the company has collected from VRT because the company provides advice on work.
	3. Trade Accounts Receivable	-	0.59	0.08	
	4. Checks that are due	0.20	-	0.99	
	5. Buy Goods	6.05	0.82	-	Buying electrical equipment Which is a list of normal trade In terms of price in line with the market price.
	6. Trade payable	0.46	0.15	-	
	The Audit Committee has considered the issue and holds the view that the aforementioned sale of goods and services transaction is one of the company's normal and valid trading types.				

ASEFA - Suntech Joint Venture

Relationship	Description of important items	Total amount remaining (Million Baht)			Conditions of price/Necessity
		2022	2021	2020	
The Company ownership in-terest 50.00	1. Loans				In the year 2014, the company gave a loan to the Joint Trade Business, as a circulation in operation, with the com - pany's interest rates for 2020 - 2022 per year, 5 percent, which is a nearby interest rate. Side with the market rate.
	Balance, beginning of period	89.00	89.00	89.00	
	Loan during the period	-	-	-	
	Repayment during the period	-	-	-	
	Allowance during the period	(44.11)	(43.92)	(42.07)	
	Balance at the end of period	44.89	45.08	46.93	
	2. Accrued interest received	0.74	0.74	0.74	
	3. Other receivables	-	0.59	0.08	Rental fee for storage of materials from the demolition of the power plant that the company charges from the joint ven-ture because the company Have re-served the fee first.
	The Audit Committee has considered the issue and holds the view that the aforementioned sale of goods and services transaction is one of the company's normal and valid trading types.				

ASEFA and VARS Joint Venture

Relationship	Description of important items	Total amount remaining (Million Baht) 2022	2021	2020	Conditions of price/Necessity
The Company ownership interest 50.00	1. Guarantee fee (BG)	-	0.37	0.21	Guarantee fee for letters of guarantee from the company Charged from a joint venture, due to the company Have previously reserved the fee.
	2. Dividend income	2.50	2.50	-	Share of profit from operating results in joint ventures
	The Audit Committee has considered the issue and holds the view that the aforementioned sale of goods and services transaction is one of the company's normal and valid trading types.				

ASEFA and UMI Joint Venture

Relationship	Description of important items	Total amount remaining (Million Baht) 2022	2021	2020	Conditions of price/Necessity
The Company ownership interest 50.00	1. Loans				In 2018, the company gave loans to ASEFA & UMI Joint Venture to be working capital for business operations, with the interest rate for the year 2020 5% per year, which is a similar interest rate. with market rate.
	Balance, beginning of period	-	-	34.00	
	Loan during the period	-	-	-	
	Repayment during the period	-	-	(34.00)	
	Balance at the end of period	-	-	-	
	2. Interest received	-	-	0.32	
	3. Dividend income	2.00	-	-	Share of profit from operating results in joint ventures.
	The Audit Committee has considered the issue and holds the view that the aforementioned sale of goods and services transaction is one of the company's normal and valid trading types.				

AY Solution Joint Venture Co., Ltd.

Relationship	Description of important items	Total amount remaining (Million Baht) 2022	2021	2020	Conditions of price/Necessity
The Company ownership interest 48.00	1. Loans				In 2022, the company given loans to the company. Joint Venture AY Solution Co., Ltd. for working capital, where the company charges an interest rate for the year 2022 at 5 percent per year, which is an interest rate close to the market rate.
	Balance, beginning of period	-	-	-	
	Loan during the period	18.73	-	-	
	Repayment during the period	-	-	-	
	Balance at the end of period	18.73	-	-	
	2. Interest income	0.93	-	-	
	The Audit Committee has considered the issue and holds the view that the aforementioned sale of goods and services transaction is one of the company's normal and valid trading types.				

Enginar Co., Ltd. (“ENG”)

Relationship	Description of important items	Total amount remaining (Million Baht)			Conditions of price/Necessity
		2022	2021	2020	
A related company with some directors holding shares and the Company's directors are authorized directors.	1. Goods sale	0.31	0.07	0.88	The Company sells electrical switch-boards (cabinets) and electrical equip-ment to ENG which are normal business transactions. In terms of price, it is in line with the market price.
	2. Trade Accounts Receivable	-	0.61	-	
	3. Buy Goods	26.46	24.44	39.56	It is the purchase of ASCO brand automatic transfer switch from ENG, which is a large distributor according to the needs of the Company's customers. Due to the high price of ATS, ASCO brand, the Company will purchase only if the customer specifies the qualifications that must be used for the said brand of products. which is a normal business transaction In terms of price, it is in line with the market price.
	4. Trade payable	3.42	6.72	11.99	
	The Audit Committee has considered the issue and holds the view that the aforementioned sale of goods and services transaction is one of the company’s normal and valid trading types.				

Measures or Procedures for Approving Related Transactions

The Company has set forth measures for entering into related transactions between the Company and persons with potential conflicts of interest by arranging for the Audit Committee to offer opinions regarding the necessity of entry into related transactions, the reasons for the related transactions and the suitability of fees for related transactions by considering various conditions for concurrence with charac-teristics of normal market trading, i.e. prices/fees comparable to third parties. In cases where the Audit Committee lacks expertise in considering potential related transactions, the Company will provide persons with particular knowledge and expertise, such as auditors, property appraisers, law officers, etc., who are independent from the Company and persons with potential conflicts of interest, to provide opinions regarding the aforementioned related transactions to accompany the decisions of the Audit Committee for presentation to the meeting of the board of directors or the meeting of shareholders, depending upon the case.

Furthermore, the Company has set forth measures to prevent executives or stakeholders from participating in the approval of transactions in which executives or stakeholders may obtain director indirect gains or loss-es. Furthermore, the company’s board of directors must ensure the company’s compliance with laws on assets and stock exchanges, regulations, announcements, orders, or specifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand, including compliance with specifications regard-ing the disclosure of information on related transactions and acquisitions or sales of significant assets belonging to the Company or its subsidiaries, accounting standards set forth by the Federation of Accounting Professions and the Accountants and Licensed Auditors Association of Thailand. The company’s board of directors must disclose related transactions in remarks accompanying budgets which have been audited or reviewed by the company’s auditors.

Future Trends for Related Transaction

The Company may have continual related transactions in the future, which will be according to characteristics of normal business transactions with clear designation of policies for entering into related transactions at normal prices and under trade conditions of businesses similarly set forth for persons and/or unrelated companies, e.g. purchases or providing service. The related transactions that will occur will be concurrent with the company’s business needs and in the company’s interests. The Audit Committee will consider auditing practices according to set criteria and provide opinions regarding the validity of transactions occurring every quarter.

For potential related transactions not concurring with the company's normal business operations in the future, the Company will arrange for the Audit Committee to check whether or not the practice is compliant with criteria and assure that the reasons for the aforementioned transactions are disclosed before the Company proceeds with the transactions to offer opinions regarding the necessity of entry into related transactions, the reasons for the related transactions and the suitability of fees for related transactions by considering various conditions for concurrence with characteristics of normal market trading, i.e. prices/fees comparable to third parties. In cases where the Audit Committee lacks expertise in considering potential related transactions, the Company will provide persons with particular knowledge and expertise, such as auditors, property appraisers, law offices, etc., who are independent from the Company and persons with potential conflicts of interest, to provide opinions regarding the aforementioned related transactions to accompany the decisions of the Audit Committee for presentation to the meeting of the board of directors or the meeting of shareholders, depending upon the case by acting incompliance with the measures and procedures for approval as set forth above.

Nevertheless, with regard to related transactions with potential conflicts of interest regarding potential future benefits, the Audit Committee will have to practice according to the laws governing securities and securities exchange, as well as the rule, announcements, orders or specifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand, and further including practice according to specifications regarding disclosure of related transactions and the acquirement or sales of assets belonging to the company or its subsidiaries as well as practice in compliance with the accounting principles set forth by the Federation of Accounting Professions and the Accountants and Licensed Auditors Association of Thailand.



PART 3 Financial Statements

ASEFA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

Independent Auditor's Report

To the Shareholders and the Board of Directors of ASEFA Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of ASEFA Public Company Limited and its subsidiaries, and of ASEFA Public Company Limited respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2022, the consolidated and separate statements of comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of the ASEFA Public Company Limited and its subsidiaries, and of ASEFA Public Company Limited, respectively, as at December 31, 2022, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Emphasis of Matters

I draw attention to the following Note to Financial Statements No. 8 As at December 31, 2022, the consolidated and separate financial statements include revenues earned, but not yet billed by the Company (Contract assets) from a construction project with a company in the amount of Baht 34.91 million. This figure represents the value of additional work that is unapproved as it is under negotiation with the employer. The Company's management believes that the Company will get approval, issue invoices for such work and ultimately receive payment for the work from the project owner. However, my opinion is not qualified in respect of said matters.

Key Audit Matters

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

Allowance for devaluation of inventories

Risk

As described in Note to Financial Statement No. 10, the Company has allowance for inventories as at December 31, 2022 in the amount of Baht 108.86 million. The allowance is estimated from the percentage of each inventory aging which is derived from the historical experience of Management and the information from suppliers about the useful lives of the products. The appropriateness of the allowance for the devaluation of inventories requires significant judgment by Management.

Auditor's Response

My audit procedures include:

- Attend the inventories observation at the year ended to assess the condition of the inventories.
- Gain an understanding of the internal control related to the estimation of the allowance for the devaluation of inventories.
- Verify the accuracy of the inventory aging report used for estimating the allowance for the devaluation of inventories in age range classified by inventories type.
- Randomly test estimated net realizable value of inventories and compare with the book value of inventories.

Revenue from construction services

Risk

The Group has revenues from construction services for the year ended December 31, 2022 in the amount of Baht 755.34 million. The Group recognized such revenues when services were rendered, considering stage of completion assessed with reference to the proportion of contract costs incurred for the work performed as at the statement of financial position date, relative to the estimated total costs of the contract at completion. The recognition of revenues, therefore, relies on estimates about such stages of completion of each contract. Profit or loss on contracts is a key risk for the audit because of the judgment involved in preparing suitable estimates of the forecast costs for such contracts. In addition, the measurement process, the appropriate period for recognition of revenue and estimation of contingent losses, requires the Company's management to exercise significant judgment in evaluating the stage of completion of contract services and the likelihood of incurring losses and measuring their potential losses, all of which could affect the amount of revenues recognized in the year ended December 31, 2022

Auditor's Response

I assessed and gained an understanding of the Company's internal controls over the process for entering into contracts, the estimates of input costs and revisions thereto, the recognition of revenue, the estimation of stage of completion and potential contract loss. In addition, I selected samples of those contracts that could significantly impact the Group's financial results, in order to:

- Verify the appropriateness of management's estimated total construction cost against reliable sources of external and internal audit evidence.
- Verify actual cost with the purchase documents.
- Test stages of completion.
- Compare stages of completion derived from the actual costs incurred to the stage of completion estimated by the Company's project engineers/ project managers.
- Assess management's estimation of potential losses by analyzing the proportion of actual service costs of project costs with estimated project cost.



- Examine accounting records related to the income account recorded through the general journal for any irregularities in recording such transactions.
- Consider disclosure of information about the criteria for revenue recognition and the estimated loss that may occur in the Notes to Financial Statements.

Other Information

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

My opinion on the consolidated and separate financial statements does not cover the other information and I 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 consolidated and separate financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. When I read the Annual Report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance 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 TFRSs, 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 consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 cause 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 consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

(Kanittha Siripattanasomchai)
Certified Public Accountant Registration No. 10837
ANS Audit Co., Ltd.
Bangkok, February 16, 2023



ASEFA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

Unit: Baht

		Consolidated financial statements		Separate financial statements	
	Notes	2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	6	160,302,982	73,928,357	70,865,623	25,042,792
Trade and other current receivables - net	5, 7	764,580,900	599,249,364	742,360,145	572,777,394
Current portion of installment receivable		-	960,097	-	960,097
Current contract assets - net	8	415,455,076	301,338,651	408,133,806	301,338,651
Short-term loan to related party	5	-	-	18,725,100	-
Short-term loan to other company		4,000,000	-	4,000,000	-
Current portion of long-term loan to other parties	12	48,448,485	-	48,448,485	-
Materials from the decommissioning power plant - net	9	-	26,536,441	-	-
Inventories - net	10	702,164,285	583,046,872	701,730,917	580,731,790
Total current assets		2,094,951,728	1,585,059,782	1,994,264,076	1,480,850,724
Non-current assets					
Restricted deposits at financial institutions	11, 20	68,679,168	68,663,655	68,679,168	68,663,655
Non-current trade receivables - net	7	4,983,556	5,953,797	4,983,556	5,953,797
Non-current contract assets	8	17,874,755	7,975,377	17,874,755	7,975,377
Long-term loan to related party - net	5	-	-	44,888,459	45,081,391
Long-term loan to other parties - net	12	25,522,798	115,000,000	25,522,798	115,000,000
Investment in associate company - net	13	6,873,132	-	6,873,132	-
Investments in subsidiaries - net	14	-	-	17,829,339	17,349,339
Investment property - net	15	32,063,902	32,584,347	32,063,902	32,584,347
Property, plant and equipment - net	16, 20	593,510,105	596,155,532	593,836,995	596,482,422
Right-of-use assets - net	17	5,853,397	8,503,264	5,853,397	8,503,264
Intangible assets - net	18	10,916,363	8,699,950	10,916,363	8,699,950
Deferred tax assets - net	19	58,793,293	42,774,884	57,863,840	42,974,884
Other non-current assets		610,099	457,499	610,099	457,499
Total non-current assets		825,680,568	886,768,305	887,795,803	949,725,925
Total assets		2,920,632,296	2,471,828,087	2,882,059,879	2,430,576,649

ASEFA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and Shareholders' Equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	20	429,222,352	150,000,698	429,222,352	150,000,698
Trade and other current payables	5, 21	733,220,919	571,830,869	722,667,789	562,031,093
Current contract liabilities	8	79,234,199	59,854,142	76,496,630	50,184,142
Current portion of lease liabilities	22	1,991,296	2,600,833	1,991,296	2,600,833
Accrued income tax		15,403,079	13,833,130	14,009,117	13,768,861
Total current liabilities		1,259,071,845	798,119,672	1,244,387,184	778,585,627
Non-current liabilities					
Lease liabilities - net	22	3,538,068	5,529,364	3,538,068	5,529,364
Non-current provisions for employee benefits	23	69,967,265	54,313,202	69,967,265	54,313,202
Non-current liabilities		4,310,826	1,693,642	105,500	105,500
Total non-current liabilities		77,816,159	61,536,208	73,610,833	59,948,066
Total liabilities		1,336,888,004	859,655,880	1,317,998,017	838,533,693





ASEFA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Shareholders' Equity					
Share capital					
Authorized share capital					
550,000,000 ordinary shares, at Baht 1 each		550,000,000	550,000,000	550,000,000	550,000,000
Issued and fully paid - up					
550,000,000 ordinary shares, at Baht 1 each		550,000,000	550,000,000	550,000,000	550,000,000
Premiums on ordinary shares		386,702,910	386,702,910	386,702,910	386,702,910
Discount on purchase of investments					
in subsidiaries - net	14	1,981,036	1,981,036	-	-
Retained earnings					
Appropriated					
Legal reserve	24	55,000,000	55,000,000	55,000,000	55,000,000
Treasury shares reserve	25	13,496,104	13,496,104	13,496,104	13,496,104
Unappropriated		616,900,334	643,027,544	572,358,952	600,340,046
Treasury shares	25	(13,496,104)	(13,496,104)	(13,496,104)	(13,496,104)
Total Shareholders' equity attributable to owners of parent		1,610,584,280	1,636,711,490	1,564,061,862	1,592,042,956
Non - controlling interests		(26,839,988)	(24,539,283)	-	-
Total shareholders' equity		1,583,744,292	1,612,172,207	1,564,061,862	1,592,042,956
Total liabilities and shareholders' equity		2,920,632,296	2,471,828,087	2,882,059,879	2,430,576,649

ASEFA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
	4, 5, 27, 28				
Revenues from sales and services		3,090,663,439	2,599,014,248	2,983,420,735	2,552,449,333
Costs of sales and services		(2,558,875,644)	(2,118,611,387)	(2,467,286,381)	(2,077,981,507)
Gross profit		531,787,795	480,402,861	516,134,354	474,467,826
Other income		27,854,957	33,088,303	32,380,674	35,587,413
Profit before expenses		559,642,752	513,491,164	548,515,028	510,055,239
Expenses					
Distribution costs		(228,647,319)	(202,788,735)	(228,639,275)	(202,729,735)
Administrative expenses		(197,698,882)	(141,103,746)	(192,173,192)	(142,234,480)
Total expenses		(426,346,201)	(343,892,481)	(420,812,467)	(344,964,215)
Profit from operating activities		133,296,551	169,598,683	127,702,561	165,091,024
Finance costs		(3,173,737)	(830,842)	(3,173,737)	(830,842)
Share of loss from investment in associate	13	(757,187)	-	-	-
Profit before income tax		129,365,627	168,767,841	124,528,824	164,260,182
Income tax expenses	19	(24,355,341)	(31,961,886)	(23,051,717)	(30,565,384)
Profit for the year		105,010,286	136,805,955	101,477,107	133,694,798
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Actuarial loss - net from tax		(9,415,575)	(11,097,463)	(9,415,575)	(11,097,463)
Total comprehensive income for the year		95,594,711	125,708,492	92,061,532	122,597,335
Profit (loss) attributable to					
Equity holders of the Company		103,330,991	138,338,767	101,477,107	133,694,798
Non-controlling interests		1,679,295	(1,532,812)	-	-
		105,010,286	136,805,955	101,477,107	133,694,798
Total comprehensive income (loss) attributable to					
Equity holders of the Company		93,915,416	127,241,304	92,061,532	122,597,335
Non-controlling interests		1,679,295	(1,532,812)	-	-
		95,594,711	125,708,492	92,061,532	122,597,335
Basic earnings per share					
Equity holders of the Company		0.19	0.25	0.19	0.25
Weighted average number of issued and fully paid-up ordinary shares (shares)		545,648,300	545,648,300	545,648,300	545,648,300

ASEFA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

Unit: Baht

		Consolidated financial statements										
					Retained earnings				Other component of shareholders' equity			
					Appropriated							
	Notes	Issued and paid-up share capital	Premiums on ordinary shares	Discount on investments	Legal reserve	Treasury shares reserve	Unappropriated	Treasury shares	" Actuarial loss - net of income tax "	" Total shareholders' equity holder of the Company "	Non-controlling interest	Total
Balance as at January 1, 2021		550,000,000	386,702,910	1,981,036	55,000,000	13,496,104	668,567,764	(13,496,104)	-	1,662,251,710	(20,506,471)	1,641,745,239
Dividend paid	26	-	-	-	-	-	(152,781,524)	-	-	(152,781,524)	-	(152,781,524)
Profit distribution		-	-	-	-	-	-	-	-	-	(2,500,000)	(2,500,000)
Total comprehensive income (loss) for the year		-	-	-	-	-	138,338,767	-	(11,097,463)	127,241,304	(1,532,812)	125,708,492
Transfer to retained earnings		-	-	-	-	-	(11,097,463)	-	11,097,463	-	-	-
Balance as at December 31, 2021		550,000,000	386,702,910	1,981,036	55,000,000	13,496,104	643,027,544	(13,496,104)	-	1,636,711,490	(24,539,283)	1,612,172,207
Dividend paid	26	-	-	-	-	-	(120,042,626)	-	-	(120,042,626)	-	(120,042,626)
Non-controlling interest increase		-	-	-	-	-	-	-	-	-	520,000	520,000
Profit distribution		-	-	-	-	-	-	-	-	-	(4,500,000)	(4,500,000)
Total comprehensive income (loss) for the year		-	-	-	-	-	103,330,991	-	(9,415,575)	93,915,416	1,679,295	95,594,711
Transfer to retained earnings		-	-	-	-	-	(9,415,575)	-	9,415,575	-	-	-
Balance as at December 31, 2022		550,000,000	386,702,910	1,981,036	55,000,000	13,496,104	616,900,334	(13,496,104)	-	1,610,584,280	(26,839,988)	1,583,744,292

ASEFA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

Unit: Baht

		Separate financial statements							
				Retained earnings				Other component of shareholders' equity	
				Appropriated					
	Notes	Issued and paid-up share capital	Premiums on ordinary shares	Legal reserve	Treasury shares reserve	Unappropriated	Treasury shares	"Actuarial loss - net of income tax"	Total
Balance as at January 1, 2021		550,000,000	386,702,910	55,000,000	13,496,104	630,524,235	(13,496,104)	-	1,622,227,145
Dividend paid	26	-	-	-	-	(152,781,524)	-	-	(152,781,524)
Total comprehensive income (loss) for the year		-	-	-	-	133,694,798	-	(11,097,463)	122,597,335
Transfer to retained earnings		-	-	-	-	(11,097,463)	-	11,097,463	-
Balance as at December 31, 2021		550,000,000	386,702,910	55,000,000	13,496,104	600,340,046	(13,496,104)	-	1,592,042,956
Dividend paid	26	-	-	-	-	(120,042,626)	-	-	(120,042,626)
Total comprehensive income (loss) for the year		-	-	-	-	101,477,107	-	(9,415,575)	92,061,532
Transfer to retained earnings		-	-	-	-	(9,415,575)	-	9,415,575	-
Balance as at December 31, 2022		550,000,000	386,702,910	55,000,000	13,496,104	572,358,952	(13,496,104)	-	1,564,061,862

ASEFA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash Flows from Operating Activities:				
Profit for the year	105,010,286	136,805,955	101,477,107	133,694,798
Adjustments to reconcile profit for the year to cash provided by (used in) operating activities				
Depreciation and amortization	41,154,172	45,103,479	41,154,172	45,102,951
Bad debt	3,156,065	-	3,156,065	-
Expected credit loss of accounts receivables	15,157,739	5,335,349	9,472,689	5,612,163
Allowance for impairment of advance payment for joint venture	5,900,000	-	5,900,000	-
Expected credit loss of current contract assets	28,148,600	-	28,148,600	-
Allowance for impairment of investment in associate company	2,547,681	-	3,304,868	-
Expected credit loss of loans to related party	-	-	192,932	1,844,364
Allowance for inventories devaluation	12,494,018	12,309,657	12,494,018	12,309,657
Gain from disposal of fixed asset	(68,598)	(504,415)	(68,598)	(504,415)
(Gain) loss from disposal of intangible asset	(4,046)	7,100	(4,046)	7,100
Share of loss from investment in associate	757,187	-	-	-
Non-current provisions for employee benefits	6,501,760	5,997,308	6,501,760	5,997,308
Provision for losses on a project contract	1,793,709	-	1,793,709	-
Dividend income	-	-	(4,500,000)	-
Interest incomes	(10,194,821)	(4,384,216)	(10,126,932)	(4,350,808)
Interest expenses	3,173,737	830,842	3,173,737	830,842
Income tax expenses	24,355,341	31,961,886	23,051,717	30,565,384
Profit from operating activities before changes in operating assets and liabilities	239,882,830	233,462,945	225,121,798	231,109,344
Changes in operating assets (increase) decrease				
Trade and other current receivables	(191,239,753)	27,597,334	(189,408,150)	46,261,579
Installment receivable	960,097	5,596,334	960,097	5,596,334
Current contract assets	(142,265,025)	(42,302,600)	(134,943,755)	(50,380,509)
Materials from the decommissioning power plant	26,536,441	-	-	-
Inventories	(131,611,431)	16,817,822	(133,493,145)	19,132,904
Non-current contract assets	(9,899,378)	76,391	(9,899,378)	76,391
Other non-current assets	(152,600)	(114,644)	(152,600)	(114,644)
Changes in operating liabilities increase (decrease)				
Trade and other current payables	162,245,614	(2,938,824)	161,492,260	(6,078,668)
Current contract liabilities	19,380,057	(23,027,082)	26,312,488	(32,697,082)
Other non-current liabilities	2,617,184	(5,256,638)	-	-
Cash provided by (used in) operating activities	(23,545,964)	209,911,038	(54,010,385)	212,905,649

ASEFA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash Flows from Operating Activities (continued):				
Employee benefits obligations paid	(2,617,167)	(6,011,938)	(2,617,167)	(6,011,938)
Interest income	12,461,708	2,172,938	12,393,819	2,139,530
Interest paid	(2,776,812)	(833,324)	(2,776,812)	(833,324)
Cash received from corporate income tax refund	398,251	-	-	-
Income tax paid	(36,450,390)	(38,231,820)	(35,346,523)	(37,044,654)
Net cash provided by (used in) operating activities	(52,530,374)	167,006,894	(82,357,068)	171,155,263
Cash Flows from Investing Activities:				
Restricted deposits at financial institutions increase	(15,513)	(27,012)	(15,513)	(27,012)
Cash payment for short-term loans to related party	-	-	(18,725,100)	-
Cash received from short-term loans to other company	1,000,000	3,140,000	1,000,000	3,140,000
Cash payment for short-term loan to other company	(5,000,000)	-	(5,000,000)	-
Cash received from long-term loan to other parties	50,281,147	-	50,281,147	-
Cash payment for long-term loan to other parties	(9,252,430)	(115,000,000)	(9,252,430)	(115,000,000)
Cash payment for investments in associate	(10,178,000)	-	(10,178,000)	-
Cash payment for investments in subsidiary	-	-	(480,000)	-
Cash received from disposal of property, plant and equipment	982,684	960,695	982,684	960,695
Cash payment for acquisition of property, plant and equipment	(36,216,384)	(18,315,391)	(36,216,384)	(18,315,391)
Cash received from disposal of intangible asset	4,080	8,074	4,080	8,074
Cash payment for acquisition of intangible asset	(5,298,780)	(3,852,975)	(5,298,780)	(3,852,975)
Cash received from dividend income	-	-	4,500,000	-
Net cash used in investing activities	(13,693,196)	(133,086,609)	(28,398,296)	(133,086,609)
Cash Flows from Financing Activities:				
Increase in bank overdraft and short-term loan	279,221,654	40,000,698	279,221,654	40,000,698
Cash payment for lease liabilities	(2,600,833)	(2,232,291)	(2,600,833)	(2,232,291)
Dividend paid	(120,042,626)	(152,781,524)	(120,042,626)	(152,781,524)
Non-controlling interest increase	520,000	-	-	-
Non-controlling interest decrease	(4,500,000)	(2,500,000)	-	-
Net cash provided by (used in) financing activities	152,598,195	(117,513,117)	156,578,195	(115,013,117)
Net cash and cash equivalents increase (decrease)	86,374,625	(83,592,832)	45,822,831	(76,944,463)
Cash and cash equivalents at the beginning of the year	73,928,357	157,521,189	25,042,792	101,987,255
Cash and cash equivalents at the end of the year	160,302,982	73,928,357	70,865,623	25,042,792

ASEFA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Supplemental Disclosures of Cash Flows Information				
Non-cash transaction				
Increase (decrease) in accounts payables for purchase of fixed assets	(3,046,198)	333,422	(3,046,198)	333,422
Installment receivable that have not yet been paid	-	960,097	-	960,097
Increase right-of-use assets from lease liabilities	-	8,229,713	-	8,229,713



1. GENERAL INFORMATION

ASEFA Public Company Limited (the "Company") registered as a juristic person under the Civil and Commercial Code of Thailand on March 24, 1997 and became a public company limited on March 18, 2015.

The Company's registered address is located at No.5, Moo 1, Rama 2 Road, Khokkrabue, Muang Samutsakhon, Samutsakhon and owns 4 branches.

The Company's main business is the manufacturer and distribution of electrical power distribution, switchboard and trunking systems, including procuring, distributing and integrated engineering services for electrical power distribution.

2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") and applicable rules and regulations of the Securities and Exchange Commission.

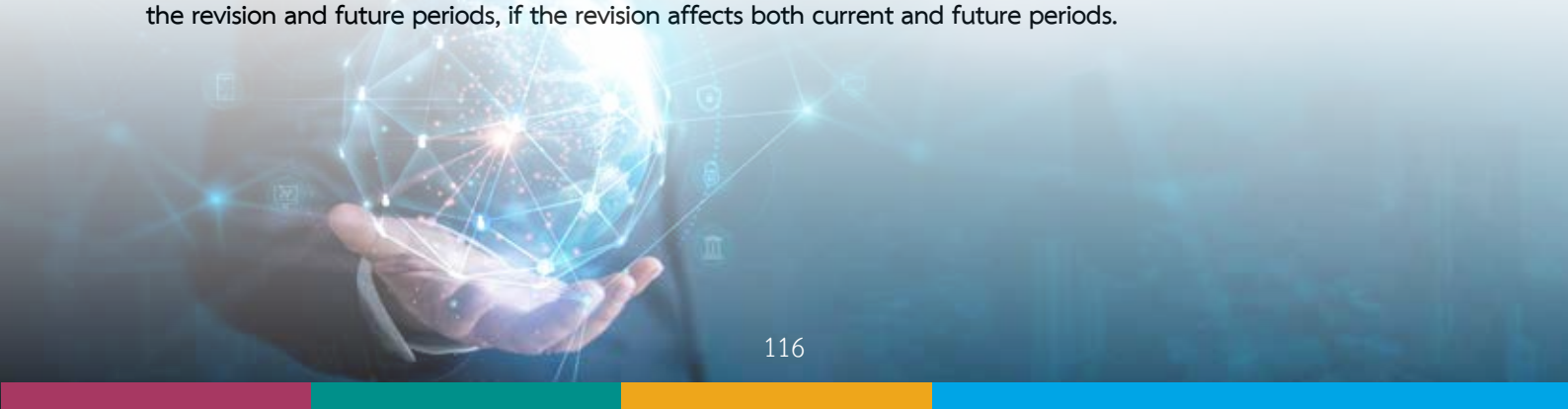
The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated December 26, 2019, issued under the Accounting Act B.E. 2543.

The accompanying financial statements have been prepared in Thai language and are expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant in the Thai language, an English translation of the Thai version of the financial statements is provided.

The accompanying financial statements are prepared on the historical cost basis, except as disclosed in respective accounting policies.

The preparation of the financial statements in conformity with Thai Financial Reporting Standard requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.



Basis of consolidated financial statement preparation

A) The consolidated financial statements included the financial statements of ASEFA Public Company Limited and its subsidiaries (that together referred to as the "Group").

The details of the subsidiaries as at December 31, 2022 and 2021 are as follows.

Subsidiaries	Nature of business	Percentage of holding	
		2022	2021
Varitek Co., Ltd.	Dealer on equipment for electrical system, water supply system and air-conditioned system.	99.99	99.99
ASEFA Suntech Joint Venture	Purchase of Bang Pakong Combined Cycle Power Project Series 1 and Series 2 and the demolition from the Electricity Generating Authority of Thailand including entire project management.	50	50
ASEFA & VARS Joint Venture	Contractor for construction the underground cable power distribution systems in some area of the Provincial Eleactricity Authority from the Provincial Eleactricity Authority, including entire project management.	50	50
ASEFA & UMI Joint Venture	Contractor for improvement and enhancement of the efficiency of the central air-conditioning system on Building 3 of the Head office of Provincial Electricity Authority of Thailand.	50	50
A Y Solution Joint Venture Co., Ltd.	Subcontracting electrical and communication for underground cable.	48	-

B) The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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

D) The balances between the company and its subsidiaries, and significant intercompany transactions have been eliminated in the consolidated financial statements.

E) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not belong to the company and are presented separately in comprehensive income, and within equity in the consolidated statement of financial position.

The financial statements of ASEFA Suntech Joint Venture, ASEFA & VARS Joint Venture, ASEFA & UMI Joint Venture and A Y Solution Joint Venture Co., Ltd. are included in the consolidated financial statement since the company has control over their financial and operating policies, and it is therefore regarded as subsidiaries.

The separate financial statements prepared for the benefit of the public by presenting the investments in subsidiaries and associate company at cost method.

3. NEW FINANCIAL REPORTING STANDARDS

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

During the year 2022, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

B) Financial reporting standard that will become effective for fiscal years beginning on or after January 1, 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Recognition of revenues and expenses

Revenues and expenses are recognized on an accrual basis.

Sales are recognized upon the transfer of control the goods to the customers with the amount that reflects the consideration of which the entity expected to be entitled in exchange for sales.

Services from installation are recognized over time when services have been rendered taking into account the stage of completion. The stage of completion is assessed as the ratio of contract costs incurred to total expected contract costs. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognized immediately in the statement of profit or loss.

Contingent liabilities from penalties are recognized as an expense in the accounting period in which they are incurred.

Sales of materials from the decommissioning a power plant are recognized upon delivery and transfer of ownership to the buyer. Costs of sales are estimated from the estimated total cost of demolition of the entire project divided by the estimated quantities of all materials from the decommissioning multiplied by the quantities sold.

Cash and cash equivalents

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

Trade receivables

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at present value.

The Group applies TFRS 9's simplified approach to measure expected credit losses. The simplified approach requires expected lifetime losses to be recognized from initial recognition of the receivables.

Financial assets and financial liabilities

Classification and measurement of financial assets and financial liabilities

Classification

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group classifies its debt instruments in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- Those to be measured at amortised cost.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; I) at fair value through profit or loss (FVPL), or II) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

Measurement

At initial recognition, where a financial asset is not at FVPL, the Group measures the financial asset at its fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: A financial asset will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, 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. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/ (losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- FVOCI: A financial asset will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, 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. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/ (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- FVPL: An asset that does not meet the criteria for amortised cost or FVOCI is measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/ (losses) in the period in which it arises.

Equity instruments shall be subsequently measured at fair value and the fair value change is to be recognised through profit or loss or other comprehensive income depending on the classification of such equity instrument. Derivatives are classified and measured at fair value through profit or loss unless hedge accounting is applied. Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Impairment

Expected credit losses associated with financial assets carried at amortized cost and FVOCI, and assets from loan commitments and financial guarantees, are assessed without the increases in credit risk. The company applies the general approach to the measurement of expected credit losses. In the case of trade receivables, however, the company applies the simplified approach to measure expected credit losses.

Contract assets/Contract liabilities

The completed work that has not been delivered yet and the invoice has not yet been billed to customers, shown as " Contract assets " in the statement of financial position, the obligation to provide to a customer for which the company and its subsidiaries have received from the customer is presented under the caption of "Contract liabilities" in the statement of financial position. Contract liabilities are recognized as revenue when the performance obligations are satisfied.

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost of material comprises the purchase price and cost directly attributable to the acquisition of the material. The cost of finish good, work in progress and work under installation comprises raw materials, direct labor, other direct cost and related production overhead allocated on the basis of normal operating activities.

Costs are calculated on the basis as follows:

Types of inventories	Method of cost calculation
Raw materials and spare parts, supplies	First-in, First-out
Finished goods, work in process, work under installation	Specific cost
Materials from the decommissioning a power plant	Average

Investment in associated company

Investment in associated company in the consolidated financial statements are accounted for using the equity method. Investment in associated company in the separate financial statements are accounted for using the cost method less allowance for impairment (if any).

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are accounted for using the cost method less allowance for impairment (if any).

Investments property

Investment property is property held to earn rental income or for capital appreciation (or both). It is not intended to be sold in the normal course of business or for the production or supply of goods or services or for administrative tasks.

Investments property includes land, buildings and condominium

Buildings and condominium are stated at cost less accumulated depreciation. Depreciation of condominium is calculated by the straight-line method based on the estimated useful life of 10 - 20 years.

Land is stated at cost and no depreciation is provided.

Property, plant and equipment - net

Property, plant and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any). Depreciations of plant and equipment are calculated by reference to their costs on a straight-line basis over their estimated useful lives as follows:

Types of assets	Years
Buildings and improvements	5, 10, 20, 30
Machinery	5, 10
Tools and office equipment	3, 5
Furniture and fixtures	5
Vehicles	5

Land, construction in progress and assets under installation are stated at cost and no depreciation is provided.

Depreciation method, useful life and the residual value will be reviewed at the end of the accounting period and is adjusted if appropriate.

Borrowing costs directly attributable to the acquisition, construction or production of an asset to get ready for its intended use are capitalized as part of the cost of the respective assets.
Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Estimated recoverable amount is the higher of the anticipated discounted cash flows from the continuing use of the asset and the amount obtainable from the sale of the asset less any costs of disposal.

Intangible asset

Deferred license fees are stated at cost less accumulated amortization and allowance for impairment (if any).
Amortization is calculated by the straight-line method based on the term of agreements.

Program computer are stated at cost less accumulated amortization and allowance for impairment (if any).
Amortization is calculated by the straight-line basis over their estimated useful lives of 3-10 years.

Impairment of non - financial assets

Land, buildings and equipment and other assets are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Leases

Leases - where the Group is the lessee
At inception of a contract, the Group assesses whether the 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 recognizes right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value by discounting lease payments that are not paid at the commencement date using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- Fixed payments including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;
- The exercise price, under a purchase option that the Group is reasonably certain to exercise, whereby the exercise price is considered as lease payments in an optional renewal period; and
- Payments of penalties for early termination of a lease if the Group is reasonably certain to terminate early.

To apply a cost model, the Group measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and then makes adjustments for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the ROU asset reflects that the Group will exercise a purchase option, the Group depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is re-measured when there is a change in future lease payments arising from the following:

- A change in an index or a rate used to determine those payments
- A change in the Group's estimate of the amount expected to be payable under a residual value guarantee
- The Group changes its assessment of whether it will exercise a purchase, extension or termination option

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases - where the Group is the lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, The Group makes an overall assessment of whether the lease substantially transfers all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in the initial measurement of the finance lease receivable and will be gradually reduced against the income over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

Trade and other current payables

Trade and other current payables are stated at cost.

Employee benefits

Short-term benefits

The Company salaries, wages, bonus and social security contribution as expenses on an accrual basis.

Post-employment benefits – defined contribution plan

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The employee benefit obligation for severance payment under labor law is recognized as a charge to results of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by actuarial technique using the Projected Unit Credit Method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in the other comprehensive income and actuarial gains and losses arising from other long-term employee benefits are recognised immediately in the profit or loss.

Provisions

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

Treasury stock

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury stock and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury stock within equity. When treasury stocks are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury stock sold, calculated using the weighted average method, to the treasury stock account and transferring the equivalent amount back from treasury stock reserve to retained earnings. Surpluses on the sale of treasury stock are taken directly to a separate category within equity, "Premium on treasury stock". Net deficits on sale or cancellation of treasury stock are debited to retained earnings after setting off against any remaining balance of premium on treasury stock.

Foreign currency translation

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency outstanding at the reporting date are translated to Thai Baht at the exchange rate prevailing at the statements of financial position date.
Gains and losses on exchange rates are credited or charged to the profit or loss.

Related parties

Related parties are defined as persons or companies that control other persons or companies or have significant influence over other persons or companies in making financial and/or operational decisions. This includes the companies that have common shareholders or executive management.

Income tax

Income tax expenses comprise current tax and deferred tax.

Current tax

The Group's 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

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

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

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

Fair value measurement

Fair value is the price that would be received to sell an asset or that paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except where there no active market for an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation techniques appropriate in the circumstances and maximizes 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 categorized within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

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

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

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

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

Basic earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to shareholders (excluding other comprehensive income) by the weighted average number of paid-up ordinary shares in issue during the years, adjusted for treasury shares.

Significant accounting judgments and estimates

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

Revenue from contracts with customers

Identification of performance obligations

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

Determination of timing of revenue recognition

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

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

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied. In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation, measuring based on the stage of completion which is assessed as the ratio of contract costs incurred to total expected contract costs.

Estimated project costs

The Group estimates costs of projects based on details of the work, taking into account the volume and value of materials to be used in the project, labor costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Provision for losses on projects

Management applied judgement in estimating the loss they expect to be realised on each project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labour and the current situation.

Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for 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.

Allowance for devaluations

In determining an allowance for diminution in inventory value, the management needs to make judgment with respect to estimating loss from slow moving and deteriorated inventories, including the effect from declines in net realisable values of inventories.

Impairment of investment in subsidiaries and associate company

The Company treats investment in its subsidiaries and associate company as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Property, plant and equipment and depreciation

In determining depreciation of property, plant and equipment, the management is required to make estimates of the useful lives and residual values of the property, plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodic basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgment regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognized in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future profits.

Leases

Determining the lease term with extension and termination options - The Group as a lessee

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

Lease classification - The Group as a lessor

In determining whether a lease is to be classified as an operating lease of finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

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.

5. TRANSACTIONS WITH RELATED PARTIES

The followings present relationships with enterprises and individuals that control or are controlled by the Company, whether directly or indirectly, or have common directors or shareholders with the Company.

Related parties	Nature of relationships
Varitek Co., Ltd.	Subsidiary by common shareholders and directors
Enginar Co., Ltd.	Related companies by certain common shareholders and directors
ASEFA Suntech Joint Venture	Joint venture which is a subsidiary by common management
ASEFA & VARS Joint Venture	Joint venture which is a subsidiary by common management
ASEFA & UMI Joint Venture	Joint venture which is a subsidiary by common management
A Y Solution Joint Venture Co., Ltd.	Subsidiary by common shareholders and directors

The Company had significant business transactions with related parties for the year ended December 31, as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statement		Pricing policy
	2022	2021	2022	2021	
Subsidiaries Company					
Varitek Co., Ltd.					
Sales of inventories	-	-	626,344	2,362,228	At the agreed price
Other income	-	-	-	507,000	At the agreed price
Purchase of inventories	-	-	6,050,486	817,023	At the agreed price
ASEFA & VARS Joint Venture					
Other income	-	-	-	370,977	At the agreed price
Dividend income	-	-	2,500,000	2,500,000	As approved by the Subsidiary
ASEFA & UMI Joint Venture					
Dividend income	-	-	2,000,000	-	As approved by the Subsidiary
A Y Solution Joint Venture Co., Ltd.					
Interest income	-	-	93,617	-	5% per annum
Related company					
Enginar Co., Ltd.					
Sales of inventories	308,800	65,805	308,800	65,805	Market price
Purchase of inventories	26,455,068	24,442,844	26,455,068	24,442,844	Market price



Significant balances with related parties as at December 31, can be summarized as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cheque due				
Varitek Co., Ltd.	-	-	204,550	-
Trade receivable - related parties				
Enginar Co., Ltd.	-	61,230	-	61,230
Varitek Co., Ltd.	-	-	-	588,632
Total trade receivable - related parties	-	61,230	-	649,862
Other receivable				
ASEFA Suntech Joint Venture	-	-	3,292,289	2,822,289
Accrued interest income				
ASEFA Suntech Joint Venture	-	-	743,699	743,699
Loans to related parties - net				
ASEFA Suntech Joint Venture	-	-	89,000,000	89,000,000
A Y Solution Joint Venture Co., Ltd.	-	-	18,725,100	-
Loan to related parties	-	-	107,725,100	89,000,000
Less Credit loss allowance	-	-	(44,111,541)	(43,918,609)
Loans to related parties - net	-	-	63,613,559	45,081,391
Less Long-term loan to related party - net	-	-	(44,888,459)	(45,081,391)
Short-term loans to related party	-	-	18,725,100	-
Trade payable - related parties				
Enginar Co., Ltd.	3,423,786	6,715,046	3,423,786	6,715,046
Varitek Co., Ltd.	-	-	455,953	147,267
Total trade payable - related parties	3,423,786	6,715,046	3,879,739	6,862,313

The Company has movements of loans to related parties for the year ended December, were as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
ASEFA Suntech Joint Venture				
Beginning balance at the year	-	-	89,000,000	89,000,000
Less Credit loss allowance	-	-	(44,111,541)	(43,918,609)
Ending balance at the year	-	-	44,888,459	45,081,391
ASEFA & UMI Joint Venture				
Beginning balance at the year	-	-	-	-
Increase during the year	-	-	21,725,100	-
Decrease during the year	-	-	(3,000,000)	-
Ending balance at the year	-	-	18,725,100	-
Term loan to related parties - net	-	-	63,613,559	45,081,391

As at December 31, 2022 and 2021, loans to related parties have no securities and bear interest rate of 5% per annum.

Management compensation

Management compensation for the year ended December 31, consisted of:

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Short-term benefits	22,851,160	26,974,196
Post-employment benefits	593,078	346,980
Total management compensation	23,444,238	27,321,176

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consisted of:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash on hand	684,175	416,008	611,474	360,068
Cash at banks - saving accounts	151,067,868	59,096,291	66,686,159	20,633,655
Cash at banks - current accounts	5,261,378	11,027,871	278,429	660,882
Cheque due	3,289,561	3,388,187	3,289,561	3,388,187
Total cash and cash equivalents	160,302,982	73,928,357	70,865,623	25,042,792

7. TRADE AND OTHER CURRENT RECEIVABLES - NET

Trade and other current receivables as at December 31, consisted of:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade receivables				
Trade receivables - related parties	-	61,230	204,550	649,862
Trade receivables - other companies				
Returned cheque	6,837,752	12,540,540	2,058,000	5,051,335
Promissory note	-	6,798,477	-	6,798,477
Post-dated cheque	160,918,546	90,877,708	155,271,283	75,909,858
Trade receivables - other companies	627,719,765	510,344,161	623,419,284	508,041,948
Total trade receivables other companies	795,476,063	620,560,886	780,748,567	595,801,618
Total trade receivables	795,476,063	620,622,116	780,953,117	596,451,480
Less Credit loss allowance				
Beginning balance	(72,979,372)	(67,644,023)	(66,578,473)	(60,966,310)
Increase during the year	(18,313,804)	(5,335,349)	(12,628,754)	(5,612,163)
Decrease during the year	3,156,065	-	3,156,065	-
Ending balance	(88,137,111)	(72,979,372)	(76,051,162)	(66,578,473)
Total trade receivables - net	707,338,952	547,642,744	704,901,955	529,873,007
Less non-current trade receivables				
Trade receivables - other companies	33,809,048	32,025,713	33,809,048	32,025,713
Total non-current trade receivables	33,809,048	32,025,713	33,809,048	32,025,713
Less Credit loss allowance	(28,825,492)	(26,071,916)	(28,825,492)	(26,071,916)
Total non-current trade receivables - net	4,983,556	5,953,797	4,983,556	5,953,797
Total current trade receivables - net	702,355,396	541,688,947	699,918,399	523,919,210
Other current receivables				
Advance payments	3,549,219	2,539,811	3,549,219	2,539,811
Deposit receivables	27,283,058	35,604,812	24,876,420	27,382,212
Advance payment for goods	898,933	857,992	898,933	857,992
Prepaid other expenses	2,988,313	2,725,216	2,915,813	2,497,972
Accrued interest income	294,445	2,561,332	1,038,144	3,305,031
Undued input tax	3,739,687	1,937,027	3,737,545	1,934,886
Revenue Department receivable	534	755,237	-	-
Advance payment for joint venture*	5,900,000	6,000,000	5,900,000	6,000,000
Bid deposit	18,725,100	-	-	-
Others	4,746,215	4,578,990	5,425,672	4,340,280
Total other current receivables	68,125,504	57,560,417	48,341,746	48,858,184
Less Allowance for impairment of advance payment for joint venture	(5,900,000)	-	(5,900,000)	-
Total other current receivables - net	62,225,504	57,560,417	42,441,746	48,858,184
Total trade and other current receivables - net	764,580,900	599,249,364	742,360,145	572,777,394

The Company has trade receivables classified by age analysis as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade receivables - related companies				
Not over due	-	61,230	204,550	388,224
Over due				
Not over 3 months	-	-	-	261,638
Total trade receivables - related companies	-	61,230	204,550	649,862
Trade receivables - other companies				
Not over due	475,837,620	317,323,361	475,744,370	314,168,558
Over due				
Not over 3 months	182,709,608	181,248,594	180,099,524	171,350,511
3 - 6 months	9,986,364	38,155,084	9,986,364	38,155,084
6 - 12 months	36,389,205	6,471,085	36,389,205	6,471,085
Over 12 months	90,553,266	77,362,762	78,529,104	65,656,380
Total trade receivables - other companies	795,476,063	620,560,886	780,748,567	595,801,618

*On January 31, 2020, the Company (the project co-investor) agreed to enter into a joint venture agreement to construct a machine for reducing energy use with two companies (the project operators who have been funded from the Department of Alternative Energy Development and Efficiency (DEDE)) and made advance payment to the project operators in the amount of Baht 6 million. The Company would receive the compensation as specified in the contract within August, 2020. Currently, the Company has not received the return as stipulated in the contract and under the legal action. The Company has full allowanced for impairment in advance for the joint venture.

8. CONTRACT ASSETS/ CONTRACT LIABILITIES

Contract assets and contract liabilities with customers as at December 31, consisted of:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Revenue recognition from the stage of completion method	755,337,304	608,359,769	686,824,100	581,943,938
Contract assets				
Project value as per contract	1,369,417,279	1,017,393,914	1,369,417,279	1,017,393,914
Accumulated revenue recognition from the stage of completion method	745,420,015	476,379,078	745,420,015	476,379,078
Less Value of total billed	(376,651,547)	(246,971,230)	(376,651,547)	(246,971,230)
Unbilled receivables	368,768,468	229,407,848	368,768,468	229,407,848
Retention receivables	67,484,355	54,156,690	60,163,085	54,156,690
Service receivables	7,350,853	17,774,113	7,350,853	17,774,113
Total current contract assets	443,603,676	301,338,651	436,282,406	301,338,651
Less Credit loss allowance	(28,148,600)	-	(28,148,600)	-
Total current contract assets - net	415,455,076	301,338,651	408,133,806	301,338,651

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Non-current contract assets				
Retention receivables	17,874,755	7,975,377	17,874,755	7,975,377
Total contract assets	433,329,831	309,314,028	426,008,561	309,314,028
Contract liabilities				
Project value as per contract	293,356,743	257,722,944	196,656,743	161,022,944
Value of total billed	195,958,545	151,643,769	124,707,772	141,973,769
Less Accumulated revenue recognition from the stage of completion method	(185,767,927)	(137,156,913)	(117,254,723)	(137,156,913)
Revenue from contract received in advance	10,190,618	14,486,856	7,453,049	4,816,856
Advance received for goods	69,043,581	45,367,286	69,043,581	45,367,286
Total current contract liabilities	79,234,199	59,854,142	76,496,630	50,184,142

As at December 31, 2022, the consolidated and separate financial statements include revenues earned, but not yet billed by the Company (Contract assets) from a construction project with a company in the amount of Baht 34.91 million. This figure represents the value of additional work that is unapproved as it is under negotiation with the employer. The Company's management believes that the Company will get approval, issue invoices for such work and ultimately receive payment for the work from the project owner.

9. MATERIALS FROM THE DECOMMISSIONING POWER PLANT - NET

Materials from the decommissioning power plant as at December 31, consisted of:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cost of materials from the decommissioning power plant	378,479,959	378,479,959	-	-
Less Cost of materials from decommissioning transferred to cost of sales	(359,988,226)	(330,324,074)	-	-
Less Allowance for devaluations	(18,491,733)	(21,619,444)	-	-
Materials from the decommissioning power plant - net	-	26,536,441	-	-

During the year ended December 31, 2017, a joint venture, which is a subsidiary of the Company, ceased operation because the Central Bankruptcy Court ordered a freeze of the joint venture partner's assets in a bankruptcy case on June 20, 2017.

On March 20, 2019, the Bankruptcy Division Director considered approving the liquidation of the joint venture whereby the Company declared the intention for the liquidation and proposed to the creditors meeting. On July 1, 2019, the creditors' meeting resolved to carry forward with such liquidation, with the Official Receiver and the Company as joint liquidators and has been selling the joint venture's assets for liquidation.

On November 15, 2021, the Creditor filed an objection to the Official Receiver for opposing the process of selling the remaining joint venture's assets. Therefore, the joint venture suspends the selling of assets temporarily. On August 1, 2022, according to the Official Receiver's report has ordered to proceed with the sale of the remaining assets of the joint venture as previously practiced.

On November 4, 2022, one of the joint venture's creditor petitioned the Official Receiver to petition the Central Bankruptcy Court to order appointment of a new liquidator. On December 27, 2022, the Official Receiver had an order proposing submission of the petition to the Central Bankruptcy Court to appoint a liquidator and that the joint venture temporarily suspend sale of such assets.

On January 31, 2023, the Company filed a petition with the Central Bankruptcy Court requesting urgent sale of the assets and that the Court instead appoint a third party as liquidator. The Court scheduled an appointment to consider the petition on April 4, 2023.

The creditor filed an objection to the order of the Official Receiver that allows the Company to receive repayment under the loan agreement. On December 16, 2021, the Company filed an objection with the Central Bankruptcy Court. On July 20, 2022, the Court dismissed the creditor's objection. On January 18, 2022, the Company filed a petition to the Central Bankruptcy Court to issue an order for receive repayment and for liquidation of the joint venture. On September 14, 2022, the Central Bankruptcy Court issued an order authorizing the Company to receive debt repayment as 1st level debt.

Subsequently, on November 14, 2022, the Official Receiver appealed the Central Bankruptcy Court's order. The Court has then ordered extension of the period to file appeal to February 25, 2023.

The Company's management opined that the Company will be able to get the repayment from the assets of joint venture in the bankruptcy case.

10. INVENTORIES - NET

Inventories as at December 31, consisted of:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Finished goods	43,717,188	44,036,686	43,283,820	41,755,156
Work in process	168,805,205	107,742,422	168,805,205	107,708,870
Raw material	535,739,013	470,190,928	535,739,013	470,190,928
Supplies	61,550,082	47,409,829	61,550,082	47,409,829
Goods in transit	375,505	6,903,958	375,505	6,903,958
Goods under installation	841,624	3,133,363	841,624	3,133,363
Total inventories	811,028,617	679,417,186	810,595,249	677,102,104
Less Allowance for devaluations	(108,864,332)	(96,370,314)	(108,864,332)	(96,370,314)
Total inventories - net	702,164,285	583,046,872	701,730,917	580,731,790

11. RESTRICTED DEPOSITS AT FINANCIAL INSTITUTIONS

Restricted deposits at financial institutions as at December 31, consisted of:

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Fixed Deposits		
UOB Bank PCL.	25,000,000	25,000,000
Kasikorn Bank PCL.	28,000,000	28,000,000
Bank of Ayudhya PCL.	15,679,168	15,663,655
Total restricted deposits at financial institutions	68,679,168	68,663,655

As at December 31, 2022 and 2021, the above fixed deposits of the Group have interest rate of 0.10% - 0.20% per annum and 0.10% - 0.90% per annum, respectively, and are pledged as collaterals for bank overdrafts, short-term loans from financial institutions, and letters of guarantee issued by financial institutions. (Note 20).

12. LONG-TERM LOANS TO OTHER PARTIES - NET

Long-term loans to other parties as at December 31, consisted of:

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Long - term loan to other companies	65,176,225	115,000,000
Long - term loan to employees	8,795,058	-
Long - term loan to other parties	73,971,283	115,000,000
Less Current portion of long - term loan to other parties	(48,448,485)	-
Total long - term loan to other parties - net	25,522,798	115,000,000

Movement of long-term loans to other parties, consisted of:

Unit: Baht

	Consolidated and Separate financial statements	
Long - term loan to other companies	2022	2021
Beginning balance at the year	115,000,000	-
Increase during the year	-	115,000,000
Decrease during the year	(49,823,775)	-
Ending balance at the year	65,176,225	115,000,000
Less Current portion of long - term loan to other company	(44,616,225)	-
Ending balance at the year	20,560,000	115,000,000

On January 5, 2021, a limited partnership (the Transferor), the Company (the Transferee) and a Government agency (Project owner) have entered into an agreement to transfer the rights to receive the payment under the project contract to the Company from the project owner totaling Baht 93.51 million. On the same day the Company entered into a loan agreement with such limited partnership for financing the project of Baht 15.00 million. The loan bears interest rate of 5% per annum and the borrower will have to make fully repayment of the loan at the end of the period of the project. The loan is guaranteed by the director of the borrower.

On September 6, 2021, a company (the Transferor), the Company (the Transferee) and a Government agency (Project owner) have entered into an agreement to transfer the rights to receive the payment under the project contract to the Company from the project owner totaling Baht 253.85 million. On September 13, 2021, the Company entered into a loan agreement with such a company for financing the project of Baht 100.00 million. The Company would receive the compensation as specified in the contract and the borrower will have to make fully repayment of the loan within February 25, 2023. The loan is guaranteed by the director of the borrower.

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Long - term loan to employees		
Beginning balance at the year	-	-
Increase during the year	9,266,700	-
Decrease during the year	(471,642)	-
Ending balance at the year	8,795,058	-
Less Current portion of long - term loan to employees	(3,832,260)	-
Ending balance at the year	4,962,798	-

During the year 2022, the Company established an employee loan welfare fund. Conditions for determining the qualifications of employees who are borrowers, loan amounts, collateral and repayment are as specified in the Company's loan welfare fund regulations. The interest rate is 8% -12% per annum.

13. INVESTMENT IN ASSOCIATE COMPANY - NET

Investment in associate company consisted of:

Unit: Thousand Baht

	Consolidated financial statements							Separate financial statements	
		Investment portion (%)		Investment at equity method		Share of loss from investment in associate For the years ended December 31,		Investment at cost method	
Company's name	Paid-up share capital	2022	2021	2022	2021	2022	2021	2022	2021
Eteco (Thailand) Co., Ltd. Engages in the business of providing installation/repair services for wastewater treatment systems	2,000	49.00	-	9,421	-	(757)	-	10,178	-
Less Allowance for impairment on investment				(2,548)	-			(3,305)	-
Investment in associates - net				6,873	-			6,873	-

On July 9, 2022, the Board of Directors Meeting No. 3/2022 passed a resolution to approve purchasing investment in Eteco (Thailand) Co., Ltd. by purchasing ordinary shares from existing shareholders, totaling of Baht 10.18 million, representing 49% of the issued and paid-up shares. The change of shareholder registered with the Ministry of Commerce on July 27, 2022.

As at December 31, 2022, the Company has shares payable amounting to Baht 4.06 million (Notes 21).

Movement of investment in associate company for the year ended December 31, are as follows:

Unit: Baht

	Consolidated financial statements	
	2022	2021
Balance at the beginning of year	-	-
Purchased investments	10,178,000	-
Share of loss from investment in associates	(757,187)	-
Loss on impairment of investment	(2,547,681)	-
Ending balance at the year	6,873,132	-

Summarised financial information of associates

Financial information of the associated companies is summarised below.

Summarised information about Financial Position as at December 31, 2022,

Unit: Baht

	2022
Current assets	5,526,703
Non-current assets	2,070,160
Current liabilities	(3,223,883)
Non-current liabilities	(1,297,365)
Assets of associates	3,075,615
Shareholding percentage (%)	49.00
Share of net assets	1,507,051
Elimination entries	-
Carrying amounts of associates based on equity method	1,507,051

Summary information about loss for the period from July 27, 2022 to December 31, 2022,

Unit: Baht

	For the period from July 27, 2022 to December 31, 2022
Revenues	4,335,842
Loss for the period	(1,545,279)

14. INVESTMENTS IN SUBSIDIARIES - NET

Investments in subsidiaries as at December 31, 2022 and 2021 consisted of:

Unit: Thousand Baht

	Separate financial statements							
	Paid-up share capital		Investment portion (%)		Investment at cost method		Dividend income For the years ended December 31,	
	2022	2021	2022	2021	2022	2021	2022	2021
Subsidiaries								
Varitek Co., Ltd.*	15,000	15,000	99.99	99.99	15,849	15,849	-	-
ASEFA Suntech Joint Venture	2,000	2,000	50.00	50.00	1,000	1,000	-	-
ASEFA & VARS Joint Venture	2,000	2,000	50.00	50.00	1,000	1,000	2,500	2,500
ASEFA & UMI Joint Venture	1,000	1,000	50.00	50.00	500	500	2,000	-
A Y Solution Joint Venture Co., Ltd.**	1,000	1,000	48.00	-	480	-	-	-
Total investments in subsidiaries					18,829	18,349	4,500	2,500
Less Allowance for impairment on investments					(1,000)	(1,000)	-	-
Total investments in subsidiaries - net					17,829	17,349	4,500	2,500

*During the year 2007, the Company purchased investments in subsidiary from the subsidiaries' shareholders who are also the Company's shareholders. The difference between the purchase price of investments and the net book value of investments in amount of Baht 1.98 million.

*On June 28, 2012, the Company purchased an additional investment from the subsidiary's shareholders who are the same as the Company's shareholders at the price equal to the net book value of the investment at the purchase date.

On October 6, 2014, the Company entered into an agreement with SunTech Engineering Co., Ltd. to establish the ASEFA Suntech Joint Venture, a joint investment for the acquisition of the power project and its demolition at a sharing ratio of 50:50 with an initial investment of Baht 2 million.

On October 31, 2016, the Company entered into an agreement with VARS Co., Ltd. (VARS) to establish the ASEFA & VARS Joint Venture, for jointly investment as a contractor for improvement the underground cable power distribution systems in the external area around the Pimai and Sukhothai Historical Parks (Nakhon Ratchasima Province and Sukhothai Province) with the Provincial Eleactricity Authority according to the project of increase the reliability of power systems phase 3. This is with the sharing ratio of 50:50 and with an initial investment of Baht 2 million.

On September 7, 2017, the Company entered into an agreement with UMI Engineering Co., Ltd to establish the ASEFA & UMI Joint Venture, for jointly investment as a contractor for the improvement and efficiency enhancement of a central air-conditioning system of the Head Office of Provincial Electricity Authority of Thailand, specifically its Building 3, including project works for other government agencies and the private sector. The joint venture is formed by a shareholder ratio of 50:50, with an initial investment of Baht 1 million. The investment capital was fully paid-up on May 9, 2018.

On May 13, 2019, the Company entered into an additional agreement annexed to the contract establishing ASEFA & VARS Joint Venture with VARS by jointly investment as a contractor Turnkey project, and construction of underground high voltage 22 kV distribution system in areas of the Provincial Electricity Authority zone 1 (North) (LOT A), Provincial Electricity Authority zone 3 (Central) and the Provincial Electricity Authority zone 1 (Southern) (LOT B) with the Provincial Electricity Authority.

On June 23, 2021, the Company entered into additional agreement annexed to the contract establishing ASEFA & VARS Joint Venture with VARS by jointly investment as a contractor for construction the underground cable power distribution systems with the Provincial Electricity Authority.

** On July 9, 2022, the Board of Directors Meeting No. 3/2022 passed a resolution to approve the establishment "A Y Solution Joint Venture Co., Ltd." by venture capital with Yotta Solutions Co., Ltd. for subcontracting electrical and communication systems for underground cables. The authorised share capital is Baht 1 million by issuing ordinary shares of 10,000 shares with Baht 100 par value per share. The Company has a stake of 48% of investment and registered with the Minister of Commerce on July 19, 2022.

The following is summarized financial information of subsidiaries before inter-company elimination.

Unit: Thousand Baht

	Varitek Co., Ltd.		ASEFA Suntech Joint Venture		ASEFA & VARS Joint Venture		ASEFA & UMI Joint Venture		A Y Solution Joint Venture Co., Ltd.		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
As at December 31												
Current assets	22,006	32,132	48,820	48,496	29,623	20,017	4,047	10,719	19,614	-	124,110	111,364
Non-current assets	1,129	-	-	-	-	-	-	-	-	-	1,129	-
Current liabilities	(1,333)	(7,437)	(118,966)	(114,147)	(13,919)	(9,934)	(8)	(2,648)	(18,726)	-	(152,952)	(134,166)
Non-current liabilities	-	-	-	-	(3,210)	(593)	(996)	(996)	-	-	(4,206)	(1,589)
Net assets	21,802	24,695	(70,146)	(65,651)	12,494	9,490	3,043	7,075	888	-	(31,919)	(24,391)
Non-controlling interests	-	-	(35,070)	(32,822)	6,247	4,745	1,522	3,538	462	-	(26,839)	(24,539)
For the year ended December 31												
Revenues	15,596	23,675	29,871	20	68,520	26,420	-	-	-	-	113,987	50,115
Net profit (loss) for the year attributable to non-controlling interests	-	-	(2,248)	(2,859)	4,001	1,342	(16)	(16)	(58)	-	1,679	(1,533)
Net cash provided by (used in)												
Operating activities	7,229	(11,591)	29,375	(402)	8,863	3,987	6,274	(67)	(18,836)	-	32,905	(8,073)
Financing activities	-	-	470	435	-	-	-	-	19,725	-	20,195	435
Cash and cash equivalents increase (decrease) - net	7,229	(11,591)	29,845	33	8,863	3,987	6,274	(67)	889	-	53,100	(7,638)
Share of profit paid to non-controlling interests	-	-	-	-	2,500	2,500	2,000	-	-	-	4,500	2,500

15. INVESTMENT PROPERTIES - NET

Investment properties as at December 31, 2022, consisted of:

Unit: Baht

	Consolidated and Separate financial statements			
		Movements during the year		
	As at January 1, 2022	Additions /Transfer	Decrease	As at December 31, 2022
Cost				
Land and land improvement	27,737,626	-	-	27,737,626
Condominium	4,559,345	-	-	4,559,345
Building	4,370,000	-	-	4,370,000
Total	36,666,971	-	-	36,666,971
Accumulated depreciation				
Land and land improvement	110,029	93,652	-	203,681
Condominium	3,531,965	211,203	-	3,743,168
Building	440,630	215,590	-	656,220
Total	4,082,624	520,445	-	4,603,069
Book values - net	32,584,347			32,063,902

The fair value of investment property

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Land and land improvement	27,737,626	27,737,626
Condominium	5,559,735	5,559,735
Building	4,370,000	4,370,000
Total	37,667,361	37,667,361

The fair values of the investment properties have been determined based on valuations performed by the management of the Company and the independent appraiser. The fair value of land has been determined based on market approach. The fair value of the building and land improvement has been determined based on depreciated replacement cost method. The fair value of condominium has been determined by the price from the Treasury Department. The fair value hierarchy prioritises of investment property is measured in level 2.

16. PROPERTY, PLANT AND EQUIPMENT - NET

Property, plant and equipment as at December 31, 2022, consisted of:

Unit: Baht

	Consolidated financial statements								
	Land	Building and improvement	Machinery	Tools and equipment	Furniture and fixtures	Vehicles	Equipment under installation	Building under construction	Total
Cost :									
Balance as at January 1, 2022	298,264,945	355,168,408	163,764,080	137,984,788	41,600,477	32,200,917	174,384	-	1,029,157,999
Add purchase during the year	1,442,500	146,500	3,243,348	11,952,050	1,593,328	6,902,893	2,865,939	5,023,628	33,170,186
Transferred in/out during the year	-	4,775,915	-	168,637	991,643	-	(912,567)	(5,023,628)	-
Less disposal during the year	-	(214,668)	(8,668,307)	(7,485,207)	(504,501)	(1,190,715)	(41,898)	-	(18,105,296)
Balance as at December 31, 2022	299,707,445	359,876,155	158,339,121	142,620,268	43,680,947	37,913,095	2,085,858	-	1,044,222,889
Accumulated depreciation :									
Balance as at January 1, 2022	-	139,340,513	116,818,688	114,168,222	38,691,083	23,983,961	-	-	433,002,467
Add depreciation during the year	-	13,124,203	8,432,143	9,456,426	1,263,968	2,624,787	-	-	34,901,527
Less disposal during the year	-	(123,115)	(8,166,925)	(7,315,080)	(485,389)	(1,100,701)	-	-	(17,191,210)
Balance as at December 31, 2022	-	152,341,601	117,083,906	116,309,568	39,469,662	25,508,047	-	-	450,712,784
Net book value :									
Net book value - net Beginning of year	298,264,945	215,827,895	46,945,392	23,816,566	2,909,394	8,216,956	174,384	-	596,155,532
Net book value - net Ending of year	299,707,445	207,534,554	41,255,215	26,310,700	4,211,285	12,405,048	2,085,858	-	593,510,105

Unit: Baht

	Separate financial statements								
	Land	Building and improvement	Machinery	Tools and equipment	Furniture and fixtures	Vehicles	Equipment under installation	Building under construction	Total
Cost :									
Balance as at January 1, 2022	298,264,945	355,168,408	163,764,080	136,799,341	40,739,808	30,927,186	174,384	-	1,025,838,152
Add purchase during the year	1,442,500	146,500	3,243,348	11,952,050	1,593,328	6,902,893	2,865,939	5,023,628	33,170,186
Transferred in/out during the year	-	4,775,915	-	168,637	991,643	-	(912,567)	(5,023,628)	-
Less disposal during the year	-	(214,668)	(8,668,307)	(7,485,207)	(504,501)	(1,190,715)	(41,898)	-	(18,105,296)
Balance as at December 31, 2022	299,707,445	359,876,155	158,339,121	141,434,821	42,820,278	36,639,364	2,085,858	-	1,040,903,042
Accumulated depreciation :									
Balance as at January 1, 2022	-	139,340,513	116,818,688	112,661,186	37,825,114	22,710,229	-	-	429,355,730
Add depreciation during the year	-	13,124,203	8,432,143	9,456,426	1,263,968	2,624,787	-	-	34,901,527
Less disposal during the year	-	(123,115)	(8,166,925)	(7,315,080)	(485,389)	(1,100,701)	-	-	(17,191,210)
Balance as at December 31, 2022	-	152,341,601	117,083,906	114,802,532	38,603,693	24,234,315	-	-	447,066,047
Net book value :									
Net book value - net beginning of year	298,264,945	215,827,895	46,945,392	24,138,155	2,914,694	8,216,957	174,384	-	596,482,422
Net book value - net ending of year	299,707,445	207,534,554	41,255,215	26,632,289	4,216,585	12,405,049	2,085,858	-	593,836,995

Depreciation for the year ended December 31, 2022 and 2021 amounted to Baht 34.90 million and Baht 39.39 million, respectively for the consolidated financial statements, and the separate financial statements.

As at December 31, 2022 and 2021, the Group's and the Company's machinery, equipment and vehicles, which have been fully depreciated but still in use, amounted to Baht 257.88 million and Baht 256.36 million, respectively.

As at December 31, 2022 and 2021, part of the Company’s land and buildings have been mortgaged as collateral for bank guarantees, bank overdrafts and loans from financial institutions (Note 20).

17. RIGHT-OF-USE ASSETS - NET

Right-of-use assets as at December 31, 2022, consisted of:

Unit: Baht

	Consolidated and Separate financial statements
Land and building	
Cost :	
Balance as at January 1, 2022	9,956,370
Increase during the year	-
Disposal during the year	-
Balance as at December 31, 2022	9,956,370
Accumulated depreciation :	
Balance as at January 1, 2022	1,453,106
Depreciation for the year	2,649,867
Balance as at December 31, 2022	4,102,973
Net book value :	
Net book value - net beginning of year	8,503,264
Net book value - net ending of year	5,853,397

18. INTANGIBLE ASSETS - NET

Changes in intangible assets for the year ended December 31, 2022, are as follows:

Unit: Baht

	Consolidated and Separate financial statements				
	As at January 1, 2022	Movements during the year			As at December 31, 2022
		Additions	Decrease	Transfer in/ (Transfer out)	
Cost					
License fee	2,339,944	-	-	-	2,339,944
Software under installation	2,270,000	2,345,000	-	(4,615,000)	-
Computer software	22,585,183	2,953,780	(384,290)	4,615,000	29,769,673
Total	27,195,127	5,298,780	(384,290)	-	32,109,617
Accumulated amortization					
License fee	2,177,311	132,635	-	-	2,309,046
Computer software	16,317,866	2,949,698	(384,256)	-	18,883,308
Total	18,495,177	3,082,333	(384,256)	-	21,193,254
Intangible assets - net	8,699,950				10,916,363

The Company entered into a license agreement with a company in France. The Company has been allowed from owner of the rights to produce and sell certain products in Thailand and has been provided the technical assistance and training through the life of the contract period of 3 years.

19. DEFERRED TAX ASSETS - NET

Changes in deferred tax assets and liabilities during the year were as follows:

Unit: Baht

	Consolidated financial statement			
		Movements increase (decrease)		
	As at January 1, 2022	Profit or loss	Other comprehensive income	As at December 31, 2022
Deferred tax assets				
Trade receivables	13,315,695	3,023,990	-	16,339,685
Advance payment for joint venture	-	1,180,000	-	1,180,000
Contract assets	-	5,629,720	-	5,629,720
Inventories	19,274,062	2,498,804	-	21,772,866
Leases	25,387	9,807	-	35,194
Non-current provisions for employee benefits	10,862,642	776,917	2,353,894	13,993,453
Provision for losses on a project contract	-	358,742	-	358,742
Total deferred tax assets	43,477,786	13,477,980	2,353,894	59,309,660
Deferred tax liabilities				
Property, plant and equipment (depreciation)	702,902	(186,535)	-	516,367
Total deferred tax liabilities	702,902	(186,535)	-	516,367
Deferred tax assets - net	42,774,884	13,664,515	2,353,894	58,793,293

As at December 31, 2022 and 2021 the Group have unutilized tax loss carried forward of Baht 33.88 million and Baht 26.80 million, respectively. Due to the uncertainty of the utilization, therefore, the management considers not to recognize this deferred tax.



Unit: Baht

	Separate financial statements			
		Movements increase (decrease)		
	As at January 1, 2022	Profit or loss	Other comprehensive income	As at December 31, 2022
Deferred tax assets				
Trade receivables	13,315,695	1,894,537	-	15,210,232
Advance payment for joint venture	-	1,180,000	-	1,180,000
Contract assets	-	5,629,720	-	5,629,720
Inventories	19,274,062	2,498,804	-	21,772,866
Investments in subsidiary	200,000	-	-	200,000
Leases	25,387	9,807	-	35,194
Non-current provisions for employee benefits	10,862,642	776,917	2,353,894	13,993,453
Provision for losses on a project contract	-	358,742	-	358,742
Total deferred tax assets	43,677,786	12,348,527	2,353,894	58,380,207
Deferred tax liabilities				
Property, plant and equipment (depreciation)	702,902	(186,535)	-	516,367
Total deferred tax liabilities	702,902	(186,535)	-	516,367
Deferred tax assets - net	42,974,884	12,535,062	2,353,894	57,863,840

Income tax expenses for year ended December 31, were as follows:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Profit before income tax	129,365,627	168,767,841	124,528,824	164,260,182
Income tax rate	20%	20%	20%	20%
Reconciliation list:				
Current income tax expenses as tax rate	25,873,125	33,753,568	24,905,765	32,852,037
Non-deductible expenses by the revenue code	2,233,311	1,298,196	3,134,504	1,670,352
Double expenses by the revenue code	(4,714,093)	(3,957,005)	(4,988,552)	(3,957,005)
Unutilized tax loss carry forward	962,998	867,127	-	-
Income tax expenses	24,355,341	31,961,886	23,051,717	30,565,384
The effective tax rate (%)	18.83%	18.94%	18.51%	18.61%

The Group used income tax rate of 20% for the calculation of corporate income tax for the year ended December 31, 2022 and 2021.

20. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at December 31, consisted of:

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Bank overdrafts	23,990	698
Promissory note	380,000,000	150,000,000
Trust receipt	49,198,362	-
Total bank overdraft and short-term loan from financial institutions	429,222,352	150,000,698

As at December 31, 2022 and 2021 the Group and the Company have credit facilities line from financial institutions in the form of bank overdrafts, short-term loans, promissory notes, long-term loans, and letters of guarantee as follows:

Unit: Million Baht

	2022	2021
ASEFA PCL. and subsidiaries	2,184	2,384
ASEFA PCL.	2,184	2,384

The interest rate and repayment periods are defined in the contract. These credit facilities are secured by mortgage of the Company's land and building (Note 16) and restricted deposits at financial institutions (Note 11).

The Company and its subsidiaries must comply with certain conditions and restrictions stipulated in the agreements.



21. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, consisted of:

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade payables				
Trade payables - related companies	3,423,786	6,715,046	3,879,739	6,862,313
Trade payables - others	589,611,745	431,728,087	579,611,877	424,905,366
Total trade payables	593,035,531	438,443,133	583,491,616	431,767,679
Other current payables				
Accrued royalty expenses	1,636,457	3,578,708	1,636,457	3,578,708
Accrued commission expenses	26,982,903	34,067,518	26,982,903	34,067,518
Accrued sub-contractors expenses	34,353,531	35,726,874	34,353,531	35,726,874
Accrued special remuneration expenses for employees	-	2,000,000	-	2,000,000
Accrued staff welfare expenses	252,000	243,000	252,000	243,000
Withholding tax payable	6,699,540	4,363,798	5,894,109	4,113,893
Revenue department payable	9,728,146	2,461,610	9,662,093	2,461,610
Retention payables	31,926,113	24,766,971	31,926,113	22,126,334
Payable for purchase of fixed assets	7,736,031	10,782,228	7,736,031	10,782,228
Payable for purchase of investments in an associate	4,060,103	-	4,060,103	-
Accrued other expenses	15,016,856	15,397,029	14,879,125	15,163,249
Provision for losses on a project contract	1,793,708	-	1,793,708	-
Total other current payables	140,185,388	133,387,736	139,176,173	130,263,414
Total trade and other current payables	733,220,919	571,830,869	722,667,789	562,031,093

22. LEASE LIABILITIES - NET

Lease liabilities as at December 31, consisted of:

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Lease liabilities	6,028,720	8,959,600
Less Deferred interest expense	(499,356)	(829,403)
Present value of lease liabilities	5,529,364	8,130,197
Less Current portion of minimum payment	(1,991,296)	(2,600,833)
Lease liabilities - net	3,538,068	5,529,364

The company has entered into the land and property lease agreements including service fee with other parties, the terms of the agreements are generally between 2 to 9 years.

The Group has future minimum leases payments required under the leases agreements as at December 31, 2022 are as follow:

Unit : Million Baht

	Consolidated and Separate financial statements			
	within 1 Year	1 - 5 Years	Over 5 Years	Total
Future minimum leases payment	2.20	3.83	-	6.03
Deferred interest expenses	(0.21)	(0.29)	-	(0.50)
Present value of future minimum leases payment	1.99	3.54	-	5.53

23. NON-CURRENT PROVISION FOR EMPLOYEE BENEFITS

Changes in the present value of non-current provision for employee benefits for the year ended December 31, are as follows:

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Non-current provision for long-term employee benefits as at January 1,	54,313,202	40,456,004
Included in profit or loss:		
Current service costs	4,829,891	4,298,095
Past service cost and gains or losses on settlement from employee benefits paid	-	827,547
Cost of interest	1,671,869	871,666
Included in other comprehensive income:		
Actuarial losses arising from		
Financial assumptions changes	8,128,295	8,260,253
Experience adjustments	3,641,175	5,611,575
Employee benefits paid during the year	(2,617,167)	(6,011,938)
Non-current provision for long-term employee benefits as at December 31,	69,967,265	54,313,202

Employee benefit expenses in the statements of profit or loss for year ended December 31, consisted of:

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Included in profit or loss:		
Current service costs	4,829,891	4,298,095
Past service cost and gains or losses on settlement from employee benefits paid	-	827,547
Actuarial defined employee benefit plans	1,671,869	871,666
Total employee benefits expenses	6,501,760	5,997,308
Included in other comprehensive income:		
Actuarial loss arising	11,769,470	13,871,828

Long-term employee benefits expenses for the year ended December 31, as shown in the statements of profit or loss are as follows:

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Costs of sales	4,423,970	4,306,696
Distribution costs	1,595,675	1,134,851
Administrative expenses	482,115	555,761
Total employee benefits expenses	6,501,760	5,997,308

Principal actuarial assumptions at the valuation date are as follow:

Percentage

	Consolidated and Separate financial statements	
	2022	2021
Discount rate		
Monthly salary	3.45	2.83
Daily salary	3.45	2.76
Future monthly salary increase rate	5.63	5.11
Future daily salary increase rate	5.46	5.18
Mortality rate	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2022 are summarised below:

Unit: Baht

	Consolidated and Separate financial statements	
	Increase 0.5%	Decrease 0.5%
Discount rate	(3,724,023)	4,024,780
Salary increase rate	3,919,415	(3,666,914)
Turnover rate	(4,088,927)	4,408,118

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

Unit: Baht

	Consolidated and Separate financial statements	
	2022	2021
Over 1 and up to 5 years	17,801,981	14,436,778
Over 5 and up to 10 years	27,617,944	23,331,574
Over 10 years	67,741,403	47,104,317

As at December 31, 2022 and 2021, the weighted average duration of the payment of employee benefit are 17 years

24. LEGAL RESERVE

Pursuant to the Public Limited Company Act B.E. 2535, the Company must set aside a reserve fund constituting no less than 5% of the annual net profit until the reserve equals no less than 10% of the registered capital. This legal reserve is not available for dividend distribution.

25. TREASURY STOCK/RETAINED EARNING ALLOCATED FOR TREASURY STOCK

Board of Directors' Meeting No. 3/2020, held on May 7, 2020 has approved to undertake a treasury stock program for financial management purposes with the maximum amount of not exceeding Baht 120.00 million for the repurchase of not exceeding 35,000,000 shares (Par value of 1 Baht per share), or 6.36% of the total number of issued and fully shares. The repurchasing of shares will be made through the Stock Exchange of Thailand. The repurchase period covers the duration of 6 months, starting from May 21, 2020 to November 20, 2020.

The Company has to disclose the proposed share repurchase scheme not less than 14 days prior to the date on which the shares will be repurchased. The repurchase price in the Stock Exchange of Thailand shall not be exceeding 115 percent of the average closing stock price prior to 5 working days on date of share repurchase and the repurchase period shall not exceed 6 months. The Company's Board of Directors would reconsider the periods of shares resell after 6 months from the date of complete the repurchasing of shares but not more than 3 years. The reselling price would not be less than 85 percent of the average closing stock price prior to 5 working days on date of sale of treasury stocks. If after the end of the period of the program, the Company does not resell or fails to resell all treasury stocks within the period of the program, the Company shall reduce its paid-up and registered capital by way of writing off registered shares.

As at December 31, 2022 and 2021, the Company had an outstanding treasury stocks of 4,351,700 shares in the account with an average cost of Baht 3.10 per shares at total cost of Baht 13.49 million. The treasury stocks of 4,351,700 shares have a par value of Baht 1 each. An amounting of Baht 13.49 million had been appropriated from retained earnings to reserve for treasury stocks. The Company can hold treasury stocks not longer than 3 years after the date of complete the repurchasing of shares.

26. DIVIDEND

The Annual General Meeting of Shareholders for the year 2022 on April 26, 2022, resolved to pay a dividend from its operating result for the year ended December 31, 2021 at the rate of Baht 0.22 per share, amounting Baht 120.04 million. Dividends have been paid to shareholders on May 25, 2022.

The Annual General Meeting of Shareholders for the year 2021 on April 27, 2021, resolved to pay a dividend from its operating result for the year ended December 31, 2020 at the rate of Baht 0.28 per share, amounting Baht 152.78 million. Dividends have been paid to shareholders on May 20, 2021.





27. SIGNIFICANT EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, consisted of:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Changes in finished goods and work in process (increase) decrease	(25.97)	29.70	(60.33)	29.70
Raw materials and consumable materials used	1,739.52	1,307.80	1,679.16	1,267.17
Director and employee's benefits expenses	508.85	467.97	508.85	467.97
Sales promotion expenses	59.06	54.19	59.06	54.19
Service fees for installation subcontracts	438.10	407.89	438.10	407.89
Rental and service expenses	47.51	40.04	46.92	39.51
Depreciation and amortization	41.15	45.10	41.15	45.10
Vehicles and travel expenses	56.84	40.66	56.83	40.59
Reversal allowance for materials from the decommissioning power plant	(3.13)	-	-	-
Allowance for inventories devaluations	12.49	12.31	12.49	12.31
Allowance for impairment of investment in associate company	2.55	-	3.31	-
The expected credit loss from trade receivables and contract assets	46.46	5.33	40.78	5.61
Allowance for impairment of advance payment for joint venture	5.90	-	5.90	-
Allowance from short-term loan to related party	-	-	0.19	1.84
Provision for losses on a project contract	1.79	-	1.79	-

28. BUSINESS SEGMENT INFORMATION

The Group's business segment information are divided into manufacturing, trading, services, and decommissioning of the power plant. The Company and subsidiaries business segment information for the years ended December 31, are as follows:

Unit: Thousand Baht

	Consolidated financial statements									
	Manufacturing business		Trading business		Services business		Decommissioning the power plant business		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues	1,763,088	1,556,390	370,946	313,812	926,806	728,812	29,823	-	3,090,663	2,599,014
Gross profit	343,532	262,344	101,401	82,774	86,424	135,285	431	-	531,788	480,403
Other income									27,855	33,088
Distribution costs									(228,648)	(202,788)
Administrative expenses									(197,699)	(141,104)
Finance costs									(3,174)	(831)
Share of loss from investment in associate									(757)	-
Income tax expenses									(24,355)	(31,962)
Profit for the years									105,010	136,806

The Group's does not present assets by segment because the Group's uses the same assets for each segment. The Company has revenue from broadband internet service under its License to Provide Internet Service - Form No 1, with License No. 1/63/003 for the year ended December 31, 2022 and 2021 amount of Baht 90,565 and Baht 45,817 , respectively.

29. FINANCIAL INSTRUMENTS

The financial risk

The Group has no policy to speculate in or engage in the trading of any financial derivative instruments.

Credit risk

The Group provides credit terms to each customer after confirming her credit worthiness. The collection of accounts receivables is closely monitored and will focus on the overdue receivables in addition to already have made an allowance for expected credit loss. Presently, the Group’s management believe that there is no significant loss arising from the uncollected receivables.

The trade accounts receivable classified by age analysis had been disclosed in Note 7.

Foreign currency risk

Foreign exchange rate risk arises from purchasing goods in foreign currency. The management believes that the Group's foreign exchange rate risk is minimal, so there is no any contract to hedge such risk.

Interest rate risk

The Group is exposed to significant interest rate risks relate primarily to cash and cash equivalent, short-term loan to other company, restricted deposits at financial institutions, bank overdrafts and short-term loans from financial institutions, lease liabilities of the interest rates that fluctuate based on market rates or a fixed rate with a maturity date after the date of the statement of financial position does not exceed one year. As the Company has a policy to deposit or invest in highly liquid instruments with a maturity not exceeding one year, the Group's interest rate risk is low.

Significant financial assets and liabilities classified by type of interest rate are as follows.

Unit: Thousand Baht

Description	Consolidated financial statements as at December 31, 2022				
	Notes	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
Financial asset					
Cash and cash equivalents	6	151,068	-	9,235	160,303
Trade and other current receivables	7	-	-	764,581	764,581
Contract assets	8	-	-	433,330	433,330
Short-term loans to other company		-	4,000	-	4,000
Restricted deposits at financial institutions	11	-	68,679	-	68,679
Long-term loan to other parties	12	-	73,971	-	73,971
Financial liabilities					
Bank overdrafts and short-term loans from financial institutions	20	-	429,222	-	429,222
Trade and other current payables	21	-	-	733,221	733,221
Contract liabilities	8	-	-	79,234	79,234
Lease liabilities	22	-	5,529	-	5,529

Unit: Thousand Baht

Description	Consolidated financial statements as at December 31, 2021				
	Notes	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
Financial asset					
Cash and cash equivalents	6	59,096	-	14,832	73,928
Trade and other current receivables	7	-	-	605,203	605,203
Installment receivable		-	960	-	960
Contract assets	8	-	-	309,314	309,314
Restricted deposits at financial institutions	11	-	68,664	-	68,664
Long-term loan to other parties	12	-	115,000	-	115,000
Financial liabilities					
Bank overdrafts and short-term loans from financial institutions	20	-	150,000	-	150,000
Trade and other current payables	21	-	-	571,831	571,831
Contract liabilities	8	-	-	59,854	59,854
Lease liabilities	22	-	8,130	-	8,130

For 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), from the date of the statement of financial position as follows.

Unit: Thousand Baht

Description	Consolidated financial statements as at December 31, 2022				
	Notes	Within 12 Month	Over 12 Month	Total	Interest rate
Financial asset					
Short-term loans to other company		4,000	-	4,000	5%
Restricted deposits at financial institutions	11	68,679	-	68,679	0.10 - 0.20%
Long-term loan to other parties	12	48,448	25,523	73,971	5 - 12%
Financial liabilities					
Bank overdrafts and short-term loans from financial institutions	20	429,222	-	429,222	0.80 - 2.20%
Lease liabilities	22	1,991	3,538	5,529	4.75%

Unit: Thousand Baht

Description	Consolidated financial statements as at December 31, 2021				
	Notes	Within 12 Month	Over 12 Month	Total	Interest rate
Financial asset					
Installment receivable		960	-	960	5%
Restricted deposits at financial institutions	11	68,664	-	68,664	0.10 - 0.90%
Long-term loan to other parties	12	-	115,000	115,000	5 - 6.82%
Financial liabilities					
Bank overdrafts and short-term loans from financial institutions	20	150,000	-	150,000	0.80%
Lease liabilities	22	2,601	5,529	8,130	4.75%

The risk of liquidity

The Group monitors its liquidity risk by maintaining a level of cash and cash equivalents deemed adequate by management to finance the Group and to mitigate the effects of fluctuations in cash flows.

Fair value 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 are not expected to be materially different from the amounts presented in the statements of financial position.

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, restricted deposits at financial institutions, trade and other current receivables, installment receivable, trade and other current payables and lease liabilities, their carrying amounts in the statements of financial position approximate their fair values.
- For loans to and loans from carrying interest approximate to the market rate, their carrying amounts in the statements of financial position approximates their fair values.

During the current year, there is no transfers within the fair value hierarchy.

Capital Management

The Group's management has capital management policy which aims to maintain a strong capital base through strategic plan for its operation and businesses with good performance and cash flows. Furthermore, the Group also takes into account the good financial position by considering investing in projects that can generate good yield and maintaining a reasonable working capital as well as strengthening its stability of cash and a capital structure. This is to retain the ability to conduct business in the future and maintain the confidence of shareholders, investors, creditors and other stakeholders.

30. EMPLOYEES PROVIDENT FUND

The Company and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 1987. Employees contribute to the fund monthly at the rate of 2-6% (depending on the age of the work) and the Company contributed to the fund monthly at the referred rate plus 2%. The Company will pay to employees upon termination in accordance with the fund rules. The contributions started from February 1, 2013. For the year ended December 31, 2022 and 2021, the Company contributed to the fund amounting to Baht 14.99 million and Baht 14.46 million, respectively.

31. COMMITMENTS AND CONTINGENCIES LIABILITIES

As at December 31, 2022, the Group had the following commitments and contingent liabilities:

31.1 As at December 31, 2022, the Group has obligations under certain contracts to pay servicecharges. Future service fee remaining in the contract are as follows:

Unit: Baht

	Consolidated and Separate financial statements
Due within 1 year	618,025
Over 1 year but not over 5 years	28,000
Total	646,025

31.2 As at December 31, 2022, the Group has a contingencies liabilities for bank guarantees issued by the banks amounting to Baht 257.51 million.

31.3 As at December 31, 2022, the Company has the commitment from trade receivables, which have been sold with recourse to financial institution at a discount totaling of Baht 71.27 million.

31.4 The Company entered into a c omputer software license agreement with a company (Amendment agreement No.2) for a period of 6 years, commencing on September 1, 2020 to August 31, 2026, with an automatic renewal for every 1 year period. The Company must pay licensing fee as stipulated in the agreement. As at December 31, 2022, the Company has commitment under the agreement to pay licensing fee in the amount of Baht 6.00 million.

32. EVENT AFTER THE REPORTING PERIOD

The resolution of the meeting of the Board of Directors No.1/2023 on February 16, 2023, has resolved to approve as follows:

- Has approved to pay a dividend from its operating result for the year ended December 31, 2022, totaling of Baht 98.22 million. The above dividend distribution shall be payable to the shareholders entitled to receive the dividends in accordance with the Company's Articles of Association and who are listed on the record date on May 11, 2023. The dividend payments will be made on May 25, 2023. The dividend is subject to the approval of the shareholders at the Annual General Meeting.
- Has approved to undertake a treasury stock program for financial management purposes with the maximum amount of not exceeding Baht 70.00 million for the repurchase of not exceeding 17,000,000 shares (Par value of Baht 1 per share), or 3.09% of the total number of issued and fully shares. The repurchasing of shares will be made through the Stock Exchange of Thailand. The repurchase period covers the duration of 6 months, starting from March 1, 2023 to August 31, 2023.

33. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's authorized directors to be issued on February 16, 2023.



Part 4

Certification of Information for Submission of 56-1 One Report

The Company has reviewed the information on this annual registration statement /annual report with care and hereby certifies that the information is accurate, complete, not false or misleading, and does not lack material information that should be notified. In addition, the Company certifies that:

(1) The financial statements and financial information summarized in this annual registration statement/annual report show material information accurately and completely regarding the financial condition, the operating results and the cash flows of the Company and the subsidiaries;

(2) The Company has provided an efficient disclosure system to ensure that the material information of the Company and the subsidiaries is disclosed accurately and completely, and has supervised compliance with such disclosure system;

(3) The Company has provided an efficient internal control system, supervised compliance with the system, and submitted the information on the internal control assessment on the latest date available to the auditor and the Audit Committee, which covers deficiencies, significant changes to the internal control system, and wrongful acts that may affect the preparation of financial report of the Company and the subsidiaries.

In this regard, as proof that all the documents are identical to those certified by the Company, the Company has authorize **Mr. Pichai Panchan to sign on every page of the documents**, and the absence of the authorized signature of Mr. Pichai Panchan on any document shall be deemed that such unsigned document has not been certified by the Company.

	Name	Position	Signature
1.	Mr. Phaiboon Ungkanakornkul	Authorized director	.....
2.	Mr. Chairat Tangtivaja	Authorized director	.....

	Name	Position	Signature
Authorized person:	Mr. Pichai Panchan	Company secretary	.....

Attachment 1

Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary.

1. Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision

Name	Age (End of 2022)	Qualifications and training history	Year of Director	Ratio of the Company's Shares Held (11/01/23)	Familial Relationship with the Directors	Work experience wihin the last 5 years			
						Period	Position	Company's Title	Business Type
Mr. Soracit Phungsuk Independent Director/ Chairman/ Chairman of the Audit Committee	75	Bachelor of Electrical Engineering (Power), Far Eastern University, Philippines **Training** Directors Accreditation Program (DAP) 68/2008	15 years from 2007	0.11	-	2019-Present	Associate Judge	Samutsakhon Juvenile and family Court	- Court
						2007–Present	Independent Director/ Chairman/ Chairman of the Audit Committee	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						2000 - Present	Chairman	Sunco Engineering Company Limited	- Repairs large Electrical Equipment
Mr. Phaiboon Ungkanakornkul Director/ Chairman of the Executive Board/ Managing Director	55	Honorary Doctorate Degree of Science (Electrical Technology), Dhonburi Rajabhat University M.B.A., Kasetsart University Bachelor of Industrial Technology Program in Industrial Electricity, King Mongkut's University of Technology North Bangkok	25 years from 1997	31.56	-	2017- Present	In charge of Human Resources Management Department	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						1999-Present	Managing Director	Varitek Company Limited	- Distributor of Electrical Equipment
						1997-Present	Chairman/Chairman of the Executive Board	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards

Name	Age (End of 2022)	Qualifications and training history	Year of Director	Ratio of the Company's Shares Held (11/01/23)	Familial Relationship with the Directors	Work experience wihin the last 5 years			
						Period	Position	Company's Title	Business Type
		<u>Training</u> - SML Program, The Association of National Defence College of Thailand SML2 : 2021 - Directors Accreditation Program (DAP) 67/2007 - Strategic CFO in Capital Merkets - Director Certif ication Program (DCP) 250/2017, Thai Institute of Directors (IOD) - Role of the Chairman Program (RCP 38) - Smart Disclosure Program (SDP) - Session Fostering CEO Relations, Session Chairing Board Meeting - Boardroom Success through Financing & Investment (BFI)							

Name	Age (End of 2022)	Qualifications and training history	Year of Director	Ratio of the Company's Shares Held (11/01/23)	Familial Relationship with the Directors	Work experience wihin the last 5 years			
						Period	Position	Company's Title	Business Type
Mr. Chairat Tangtivaja Director	57	Bachelor of Engineering (Electrical Engineering), King Mongkut's Institue of Technology Ladkrabang **Training** Directors Accreditation Program (DAP) 67/2007	25 years from 1997	10.69	-	1997–Present 2005–2018 1999-Present 1995–Present	Director Director Director Director	ASEFA Public Company Limited Fireman Corporation Company Limited Varitek Company Limited Enginar Company Limited	- Manufacturer and Distributor of Switchboards - Distributor of Safety Equipment - Distributor of Electrical Equipment - Distributes and Installs Electrical Equipment
Mr. Sa-Ngeam Klomchitcharoen Director	56	Bachelor of Engineering (Electrical Engineering), King Mongkut's University of Technology Thonburi **Training** Directors Accreditation Program (DAP) 67/2007	25 years from 1997	10.96	-	1997-Present 2005–2018 1999-Present 1995–Present	Director Director Director Director	ASEFA Public Company Limited Fireman Corporation Company Limited Varitek Company Limited Enginar Company Limited	- Manufacturer and Distributor of Switchboards - Distributor of Safety Equipment - Distributor of Electrical Equipment - Distributes and Installs Electrical Equipment

Name	Age (End of 2022)	Qualifications and training history	Year of Director	Ratio of the Company's Shares Held (11/01/23)	Familial Relationship with the Directors	Work experience wihin the last 5 years			
						Period	Position	Company's Title	Business Type
Mr. Pornchai Uraisin Director	59	Bachelor of Engineering (Electrical Engineering), King Mongkut's University of Technology Thonburi **Training** Directors Accreditation Program (DAP) 68/2008	25 years from 1997	10.85	-	1997-Present	Director	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
Asst. Prof. Prasit Pittayapat Independent Director/ Audit Committee Director	81	Master Degree of Engineering, Chulalongkorn University Bachelor of Engineering, University of New South Wales, Australia **Training** Directors Accreditation Program (DAP) 68/2008	25 years from 1997	0.07	-	2011- Present 2007–Present 1968 - Present	Chairman Independent Director/ Audit Committee Director Chairman	PP&P Design Company Limited ASEFA Public Company Limited Malti System Engineering Company Limited	- Designs Engineering System - Manufacturer and Distributor of Switchboards - Designs Electrical Engineering System

Name	Age (End of 2022)	Qualifications and training history	Year of Director	Ratio of the Company's Shares Held (11/01/23)	Familial Relationship with the Directors	Work experience wihin the last 5 years			
						Period	Position	Company's Title	Business Type
Mr. Thanomsak Chotikaprakai Independent Director/ Audit Committee Director.	59	MBA, Eastern Michigan University, Ypsilanti, Michigan, USA. B.Eng (Electrical Engineering), Chulalongkorn University. <u>Training</u> Director Certification Program (DCP), Thai Institute of Directors 90/2006	3 years from 2019	0.02	-	2021–Present	Independent Director/ Chairman of the Audit Committee	Varopakorn Public Company Limited	- Manufacturer and Supplier of Aluminium Rolled Products
						2020– Present	Independent/ Audit Committee Director	CIGNA Insurance Public Company Limited	- Insurance
						2019 - Present	Independent Director/ Audit Committee Director	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						2009-2017	Chief Financial Officer (CFO)	TMB Bank PLC.	- Financial Institution
Mr. Boontherd Thongsumrit Executive Committee/ Deputy Managing Director.	52	Bachelor of Industrial Technology, Mechanical Technology Program, Siam University	7 years from 2015	0.04	-	2018-Present	Deputy Managing Director/ Department Manager, Electrical Production	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						2017-2018	Department Manager, Technical Commercial Department/ Department Manager, Electrical Production Department	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards

Name	Age (End of 2022)	Qualifications and training history	Year of Director	Ratio of the Company's Shares Held (11/01/23)	Familial Relationship with the Directors	Work experience wihin the last 5 years			
						Period	Position	Company's Title	Business Type
Ms. Thatsani Chaowachiwakasad Executive Committee/ Assistant Managing Director	52	Bachelor of Business Administration Program in General Management, Chandrakasem Rajabhat University	2 years from 2021	0.84	-	12 May 2021- Present	Executive Committee	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						1 January 2021- Present	Assistant Managing Director	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						2018–2020	Senior Department Manager, Marketing Department	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						2015-2017	Department Manager, Marketing Department	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
Ms. Padewrada junda Executive Committee/ Assistant Managing Director	44	Master of Communication Arts Program (Innovation in Marketing Management) National Institute of Development Administration Bachelor, Rajamangala University of Technology Thanyaburi	2 years from 2021	0.03	-	12 May 2021- Present	Executive Committee	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						1 January 2021- Present	Assistant Managing Director	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						2018 - 2020	Senior Department Manager, Marketing Department	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
Mr. Wichai Soontornvutikul Executive Committee	56	Bachelor of Economics, Thammasat University	4 years from 2018	0.01	-	2018- Present	Executive Committee	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						2015 - 2021	Senior Department Manager	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards

Name	Age (End of 2022)	Qualifications and training history	Year of Director	Ratio of the Company's Shares Held (11/01/23)	Familial Relationship with the Directors	Work experience wihin the last 5 years			
						Period	Position	Company's Title	Business Type
Mr. Sanya Chindaphan Executive Committee/ Senior Department Manager, Accounting Department	43	Master Degree of Accounting, Mahanakorn University of Technology Bachelor of Accountancy, Southeast Asia University	7 years from 2015	0.03	-	2015 - Present 2012 - 2015 2007 - 2012	Senior Department Manager Accounting Department Manager Devision Manager, Account Department Account Devision Manager	ASEFA Public Company Limited ASEFA Public Company Limited Varitek Company Limited	- Manufacturer and Distributor of Switchboards - Manufacturer and Distributor of Switchboards - Distributor of Electrical Equipment
Mr. Burin Phraemongkol Executive Committee/ Senior Department Manager, Planning Department	44	Bachelor of Business Administration (Industrial Management), University of the Thai Chamber of Commerce	7 years from 2015	0.03	-	2015 - Present	Senior Department Manager, Planning Department	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
Mr. Pichai Panchan Executive Committee/ Department Manager, Finance Department/ Company Secretary/ Investor Relations	50	Master of Management (MBA), Kasetsart University Bachelor of Accountancy, Dhurakij Pundit University **Certificate** Certificate of Internal Auditor of Thailand (CPIAT) **Training** - Courses Company Secretary Program (CSP) ; - Strategic CFO in Capital Markets 3rd Generation of the Stock Exchange of Thailand - Thailand Internal Auditor's Certificate Program (CPIAT) Class 36	4 years from 2018	-	-	2018-Present 2015 - Present	Executive Committee Company Secretary/ Secretary of the Audit Committee/ Investor Relations/ Asst.Accounting/ Finance Department Manager	ASEFA Public Company Limited ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards - Manufacturer and Distributor of Switchboards

Name	Age (End of 2022)	Qualifications and training history	Year of Director	Ratio of the Company's Shares Held (11/01/23)	Familial Relationship with the Directors	Work experience wihin the last 5 years			
						Period	Position	Company's Title	Business Type
Mrs. Nanchalisa Rattanasittarn Chief Financial Officer (CFO)	52	MBA, Kasetsart University Bachelor of Accountancy, Thammasat University	4 years from 2018 Year of Chief Financial Officer	-	-	2018 – Present 2009 – 2018	Chief Financial Officer (CFO) Financial and accounting advisor (Independence advisor)	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards - Advisory

2. Company's secretary

Name	Age (End of 2022)	Qualifications and training history	Year of Director	Ratio of the Company's Shares Held (11/01/23)	Familial Relationship with the Directors	Work experience wihin the last 5 years			
						Period	Position	Company's Title	Business Type
Mr. Pichai Panchan Company Secretary	50	Master of Management (MBA), Kasetsart University Bachelor of Accountancy, Dhurakij Pundit University <u>Certificate</u> Certificate of Internal Auditor of Thailand (CPIAT) <u>Training</u> - Courses Company Secretary Program (CSP) - Strategic CFO in Capital Markets 3rd Generation of the Stock Exchange of Thailand - Thailand Internal Auditor's Certificate Program (CPIAT) Class 36	7 years from 2015	-	-	2015-Present	Company Secretary/ Secretary of the Audit Committee/ Investor Relations/ Asst.Accounting/ Finance Department Manager	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards
						2014-2015	Company Secretary/ Secretary of the Audit Committee/ Investor Relations/ Asst.Accounting	ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards

The Company Secretary shall perform the duties as defined in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. 2551(2008), which came into force on August 31, 2008 with responsibility, caution and integrity, as well as to comply with the law. Objectives, Company Regulations Resolutions of the Board of Directors As well as the resolutions of the shareholders' meeting. The legal duties of the Company Secretary are as follows:

Responsibilities of the Company Secretary

1. Supervise and advise the Board and management on compliance with legal requirements, rules and regulations of the company. And monitor the implementation properly and consistently.
2. Makes arrangements for meetings of the board of directors and shareholders, including operate for performance to resolution, coordinate to perform of meeting resolutions.
3. Observes and makes arrangements for the disclosure of information and information technology reports according to criteria and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission of Thailand, including laws related.
4. Preparation and storage the document as follow;
    - 4.1 Director's Registation
    - 4.2 Meeting invitations of the board of director and minutes to the meetings.
    - 4.3 Meeting invitations of shareholders and minutes to the meetings.
    - 4.4 Annual Report
    - 4.5 Reports direct and executive stakeholders.



Attachment 2

Details of the management's position and the controlling person of the company in the related company as of December 31, 2022

Name	Company	Subsidiary companies				Related companies					
		1	2	3	4	5	6	7	8	9	10
Mr. Soracit Phungsuk	C, CAC						C				
Mr. Phaiboon Ungkanakornkul	/, CEO	/	/	/	/						
Mr. Chairat Tangtivaja	/	/	/	/	/	/					
Mr. Sa-Ngeam Klomchitcharoen	/	/	/	/	/	/					
Mr. Pornchai Uraisin	/										
Asst.Prof. Prasit Pittayapat	/, AC							C	C		
Mr. Thanomsak Chotikaprakai	/, AC									AC	/, CAC
Mr. Boontherd Thongsumrit	M										
Ms. Thatsani Chaowachiwakasad	M										
Ms. Padewrada Junda	M										
Mr. Wichai Soontornvutikul	M										
Mr. Pichai Panchan	M										
Mr. Burin Phraemongkol	M										
Mr. Sanya Chindaphan	M										
Mrs. Nanchalisa Rattanasittarn	CFO										

Remarks

C	= Chairman	CAC	= Chairman of the Audit Commitee	AC	= Audit Committee
/	= Director	CEO	= Chairman of the Executive Board	M	= Executive Director
CFO	= Chief Finance Officer				

Subsidiaries and related companies:

1. Varitek Company Limited
2. ASEFA Suntech Joint Venture
3. ASEF Aand VARS Joint Venture
4. ASEFA and UMI Joint Venture
5. Enginar Company Limited
6. Sunco Engineering Company Limited
7. PP&P Design Company Limited
8. Multi System Engineering Company Limited
9. Cigna Insurance Public Company Limited
10. Varopakorn Public Company Limited

Attachment 3

Details of the Internal Auditor

The Company has hired an external entity ASV and Associates Co., Ltd. to monitor the Company's internal control system. The person assigned by the internal audit company as the supervisor of internal auditor as follow.

Name-Surname/ Position	Age (years)	Education qualifications/ Training history	Shareholding in the Company (30/12/2021)	Family relationship between administrator	Work experience wihin the last 5 years			
					Period	Position	Company's Title	Business Type
Kwunjai Kiatgungwalgri (Director)	46	**Education** • Master of Accountancy, University of Texas at Austin • Bachelor of Accountancy, Thammasat University **certificate** • List of auditors approved by the office of SEC • Certified Public Accountant (Thailand and United States of America) • Certified Internal Auditor (United States of America) • Director Certification Program (DCP) – Thai Institute of Directors • Advanced Audit Committee Program – Thai Institute of Directors **Training history** • The 3rd ASEAN CPA : Empowering and Enhancing Sustainability of ASEAN Business • ISSB Sustainability Disclosure Standards 2 copies and business arrangement • Risk Management & Internal Control : COSO (2017)	-	-	07/2008 - Present	Director and Auditor	ASV and Associates Co., Ltd.	- Auditing Service
					06/2019 - Present	Director and Consultant	ASV Advisory Co., Ltd.	- Accounting and Tax Consulting Service
					07/2019 - Present	Audit Committee	Toray Textiles (Thailand) PCL.	- Textiles

Details about The Company's Compliance Supervisor

Head of Compliance Unit

Name-Surname/ Position	Age (years)	Education qualifications/ Training history	Shareholding in the Company (30/12/2021)	Family relationship between administrator	Work experience wihin the last 5 years			
					Period	Position	Company's Title	Business Type
Mrs. Kannikar Vijitratanakorn	42	**Education** • Bachelor of Education, Burapha University **Training History** • ISO9001 Quality Management System for Senior Executives • In-house risk assessment • Corporate Risk Management • Company Secretary Basics • Digital Economy • Lean Management Concepts • Development of the organization towards excellence • PDPA in action for Enterprise • Mindset-Psychology of work and Effective Communication • Planning, Time Management, Work Proactively and Solve Problems efficiently • Participation Strategic Thinking and Strategy Implementation	-	-	11/2021 - Present 2018 - 10/2021	Deputy Manager Secretarial Office Department of Management Senior Department Manager Quality System Management	ASEFA Public Company Limited ASEFA Public Company Limited	- Manufacturer and Distributor of Switchboards - Manufacturer and Distributor of Switchboards

Responsibilities

The supervisor of operations is responsible for being the center of supervision of the business operations of the Company/Group in accordance with the law, regulations, policies and requirements of relevant official authorities. However, the board of directors has approved the compliance policy by requiring the board of directors, audit committee, the senior management, department and employees must comply with the law, as well as communicate with employees to recognize that all employees have a duty and responsibility to study and understand the law, including the relevant regulations in the responsible work, and to act in accordance with the rules strictly.

Attachment 4

Details of asset appraisal

- None -

Attachment 5

Corporate Governance

1. Corporate Governance policy

The Company recognizes the significance of Good Corporate Governance, as considered that it is a critical factor for leading an efficient, transparent and accountable management system, and create trust and confidence among its shareholders, investors, other stakeholders and relevant parties. By having good corporate governance as a tool to increase value, build competitiveness and to achieve its long term sustainable growth objectives. So the Company guidelines in line with the 5 Principles of Good Corporate Governance for Listed Companies of the Stock Exchange of Thailand; namely

Chapter 1 The Rights of Shareholders

The Company recognizes the rights of shareholders which will not perform any acts, violate or deprive the shareholders' rights. Also, encourages shareholders to exercise their rights. The basic rights of shareholders is right to trade, transfer of shares, receive sufficient information about the business, right to take profit sharing, right to appointment of independent auditors, right to attend the meeting and vote to make decisions on matters affecting the company; such as the dividends allocation, determination or amendment of the company regulations, capital reduction or capital increase and etc.

Beside basic rights, the Company has a policy to promote and facilitate the shareholders to exercise the rights as follows:

1. To send the meeting notice and relevant information prior 7 days of the meeting date, which will specify the date, time, place, and agenda as well as supplementary information related to matters that need to be decided at the meeting.
2. If the shareholders could not attend the meeting, the Company allows shareholders to appoint independent directors or mutual person to attend the meeting on their behalf to support the voting rights of the shareholders by using the proxy forms which sent by the company together with the notice of Meeting.
3. The company will allocate appropriate time and opportunity for the shareholders to express their opinions, suggestions or questions of the agenda, independently.
4. After the meeting, the Company will prepare the minutes of the meeting by showing complete and accurate information for the shareholders to review.

After the company transformed into a public company and registered as a listed company, the company must specify the opinion of the Board of Directors in the notice calling for the meeting and send the notice of the shareholders' meeting in advance to the shareholders within the period specified by the SEC or the Stock Exchange of Thailand, so the shareholders have time to study the information before the meeting. In addition, shareholders will receive information through the electronic media of the Stock Exchange of Thailand, company website, and posting news in newspapers under the Public Limited Companies Act. The Company has a policy that the Board of Directors attending the shareholders' meeting at the same time, especially the chairman of various sub-committees, such as the chairman of the audit committee, in order to jointly explain or answer the questions of the shareholders at the meeting.

Chapter 2 The Equitable Treatment of Shareholders

The company has a policy to create equality for all shareholders with fairness which consists of the management shareholders, non-management shareholders, foreign shareholders and minority shareholders. After this public offering and the Company has been listed on the Stock Exchange of Thailand, the Company has a policy to provide more options for the shareholders' meeting who are unable to attend the meeting by themselves, able to authorize independent directors or other persons to attend and vote on behalf of shareholders, including the opportunity for minor shareholders to nominate persons to be appointed as directors in advance in a timely manner.

The meeting will be conducted according to the regulations of the company and in order of the agenda with detailed proposals for each agenda item and also clear information for consideration. The Company will not add any agendas without notifying shareholders in advance, especially the important agenda that shareholders need to take time to study before making a decision.

The Board of Directors has set up Insider Trading prevention of related persons, including directors, executives, employees and employees of the related group. (the spouse and minor children of such person). Including penalties for disclosure of company information or use the company's information for personal gain, according to the policy to prevent the use of internal information to exploit. Also, always provides knowledge to the company's board of directors and executives to report securities holdings to the Office of the Securities and Exchange Commission (SEC) under Section 59 of the Securities and Exchange Act BE 2535.

Chapter 3 The Role of Stakeholders

The company has a policy to give priority to the rights of all groups of stakeholders with transparency, fairness and create satisfaction for all parties with details as follows

Shareholder:	Do the best of all circumstances with honesty and fairness to major and minor shareholders, for the benefit of the shareholders as a whole.
Employees:	The Company treats all employees equally and fairly, including providing suitable returns and also giving importance to the development of employees' potential thoroughly and consistently. The Company providing training and continuously develop employees' knowledge and ability. In order to develop work skills to be most effective, the Company complies with various laws and regulations that relate to employees strictly. Provident fund has been established for employees and other benefits such as health insurance, bonuses, accident insurance, and etc.
Partners :	The company treat the partners by fair trade framework based on contract and commercial terms strictly.
Creditor :	The Company is committed to strictly abiding by financial conditions and agreements. Regarding the purpose of spending money, repayments, taking care of quality of collateral and any other matters that have been made agreements with creditors in order to achieve mutual benefits
Customer :	The Company commits to producing quality products, good price and good service to the customer. And comply with various conditions towards customers strictly, with a focus on safety as a priority.
Competitors :	The company do business in the framework of good competition by avoiding dishonest manner.
Community : and society	The Company will not do any action that will result in damage to society natural resources and the environment. The Company seeks opportunities to support social creative activities, instilling awareness of social responsibility to all level of employees. As well as to control the employees to strictly comply with the laws and regulations issued by the regulatory agencies.

Chapter 4 Disclosure and Transparency

The Company is aware of the importance of disclosure of accurate, complete and transparent information. Such as, financial reports and general information comply with the disclosure and information disclosure requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. As well as other important information that affects the stock price of the company, or the decision making process of investors and stakeholders, so that those involved with the company all are informed equally. The Company will disclose the company's information to shareholders, investors and the public through various channels and media of The Securities and Exchange Commission and the Stock Exchange of Thailand. Also, the company's website.

Board of Directors aware of responsibility for financial report that are accurate, complete, true and reasonable. Company financial statements prepared according to generally accepted accounting standards by using appropriate accounting policies and practice consistently and use discretion carefully, including sufficient disclosure in the notes to financial statements. The Board of Director has maintained an effective internal control system and reasonably ensure that the accounting records are accurate, complete, and sufficient to maintain assets. And to identify weaknesses to prevent fraud or unusual operations that are significant. Including the appointment of the audit committee which consists of non-executive directors in charge of auditing financial reports, related party transactions, and internal control systems. The Audit Committee will report directly to the Board of Directors.

On investor relations, the company has not established a specific department. However, the Company has assigned the company secretary, Mr.Pichai Panchan, to communicate with investors, shareholders, analysts, and the relevant agency.

Chapter 5 Responsibilities of the Board of Directors

1. Board of Directors Structure

The company's board of director consists of experts with knowledge and experience in management positions in the organization, then they can bring experience ability to develop policy and business direction effectively of the Company, that is the benefits to the company and shareholders.The board of director must set direction for the company, the company's policy, business plan and along with monitoring and supervision

The Board of Directors comprised of independent directors in more than one third of the total directors. The Company currently has a total 7 directors, executive director 1 person and non executive director 6 people (including audit committee 3 people) In addition, the board of directors also appointed committees to assist in the governance of the company as belows:

1.1 The Executive Committee consist of 8 directors for setting the proposal of goals, policies, business plans, including the company's business strategies according to the board of director's policy

1.2 The Audit Committee consist of 3 directors to perform specific and submitted to the Board of Directors to acknowledge.The audit committee has rights and duties as set out in the authority of the audit committee. The audit committee of at least one person must have knowledge and experience in accounting, sufficient to serve on the review of the reliability of the financial statements of the Company.

The board of directors's policy sets that the Chairman and the Managing Director must not be the same person and determine the number of listed companies in which each director can hold no more than 5 companies, to achieve clarity on the responsibilities between policy, governance and management. The company has divided the roles and responsibilities between the Board of Directors and the Executive Management. The Board of Directors Responsible for policy and oversight of the executive. And the executive management of the Company response to act in order to comply with the policy.In order to prevent arbitrary, the company has a clearly defined scope of authority in the operations of the company (Authority Table).

The Board of Directors appoints the company secretary to response as the Securities and Exchange Act B.E.2535

2. Role and responsibilities of the Board of Directors

The company set the board of directors to follow the best practices for listed companies. (Code of Best Practices) as the guideline of The Stock Exchange of Thailand. The board of director must understand and be aware of their roles and responsibilities according to the law and the Articles of Association of the Company, as well as the resolutions of the shareholders' meeting with integrity. And taking into account the interests of the Company and shareholder. The board of director must set direction for the company, the company's policy, business plan and along with monitoring and supervision.

Conflict of interest's policy

The company has set forth measures for entering into related transactions between the company and persons with potential conflicts of interest that the Stakeholders in the matter will not be able to take part in the approval of such transactions.The Board of Directors Must ensure that the Company Compliance with laws and regulations of the Securities and Exchange Commission announced the order or the requirements of the Capital Market Commission and the Stock Exchange of Thailand. As well as compliance to the requirements on disclosure of related party transactions and the acquisition or disposal of major assets of the company. Including compliance with accounting standards set by the Association of Accountants strictly.

the company will provide the audit committee or auditors to offer opinions regarding the necessity of entry into related transactions, the reasons for the related transactions and the suitability of fees for related transactionsand disclose related transactions in remarks accompanying budgets which have been audited or reviewed by the company's auditors by Form 56-1 (Form 56-1) and annual report (Form 56-2).

Internal Control System

The Company recognizes the importance of internal controls for both the executive and operational levels, it has the power to determine the scope and clearly written. There is a control to use the property to benefit the most, separate the responsible for the approval the accounting records and information and storage assets apart. To achieve a balance and check each other appropriately. It also has internal controls on financial systems, the company provided financial reports presented to the administrative lines of responsibility. The Internal Audit Department is responsible for monitoring the internal control system and reports directly to the Audit Committee.

The company is targeting the business and measurable operation. The executive management will compare actual performance against targets set out on a monthly basis. There will be an assessment of the risks that come from both outside and inside that found in the operation Analysis of the causal factors and measures an event that causes the risk factors. Including measures to reduce risk. Also assigned to the relevant authorities to continuous the progress and reports to the Committee.

3. Board of Director's meeting

The board of directors must arrange a meeting of the company's board of directors at least every three months, which the meeting schedule is set in advance throughout the year and may be additional meetings as necessary. Each meeting must have a minimum quorum at the time that the Board of Directors will pass a resolution. Must have a committee of not less than 2 in 3 of the total number of directors. In each meeting has cleary set the agenda and send a meeting invitation with the details 7 days prior to the Board of director for studying the information before the meeting. Including take a minuite and kept a report for checking.

4. Remuneration for Directors and the Management

The Company has set a Remuneration for Committee and executive management at an appropriate level and the rate is sufficient for the treatment and management of quality without paying more than they should. And the rate can compare to other companies in the same industry. Factors to be considered the remuneration including to experience, extent of the role and responsibilities. The remuneration of Committee shall be considered by a meeting of shareholders of the Company. In terms of remuneration of executives management, according to the principles and policies set by the Board of Directors, which is determined by obligations, responsibilities, performance of each person and the results of operations of the Company.

5. Development of Directors and Executives Management

The board of Directors is dedicated to promoting and facilitating the training about cooperate governance to the director, audit committee, executive management and company secretary to provide continuous operational improvements, including the course of the Institute of Directors of Thailand (Thai Institute of Directors Association: IOD).

Committee

The management structure of the Company consists of the Board of Directors and another two sets of the committee-Audit Committee and Executive Management Committee. Board of Director, Audit Committee and Executive Management Committee have the qualify under Section 68 of the Securities and Exchange Act B.E. 2535 and the Regulation of the Capital Market Authority of the relevant. The authority and responsibility of committees are as follows:

Duties and Scope of Authority of Board of Directors

1. Board of Directors has the authority, duty and responsibility of managing the company according to the company's bylaws, objectives and regulations, including legal resolutions by the meeting of shareholders with integrity and must maintain the company's interests.
2. Board of Directors must arrange the company's balance sheets and profit-loss statements at the end of the company's accounting cycle, which must be audited by an auditor and presented to the meeting of shareholders for consideration and approval.
3. Board of Directors must set the company's goals, guidelines, policies, business plans and budgets along with monitoring and supervision, so the administration and management of executives concurs with work planning policies and setting budgets.

4. Board of Directors must consider reviews, audits and approvals of policy, strategy, business operators proposed by the executives.
5. Board of Directors must consider designating executive structures with authority to appoint the Board of Management, Managing Director and other sub-committees as deemed fitting, including set Scope of duties of the Board of Management, Managing Director, and other sub-committees.

Authorizations according to designated scopes of authority and duty with no characteristics of allowing the Board of Management, Managing Director and various sub-committees to be able to consider and approve transactions with potential conflicts of interest or conflicts of any other interests with the company or its subsidiaries (if any), except for approval of transactions in line with policies and criteria considered and approved by the Board of Directors.

6. Board of Directors may authorize a director, several directors, or any other persons to perform any actions on behalf of the board of directors under the control of the board of directors, or the board of directors may authorize the aforementioned persons to have authority as deemed necessary by the board of directors within the period of time the board of directors deems fitting. The board of directors may cancel, withdraw, change or revise authorizations as deemed necessary.

Authorizations must not have characteristics of allowing the aforementioned persons to consider and approve of transactions in which they or other persons with potential conflicts of interests as stakeholders or other potential conflicts of interest with the company or its subsidiaries (if any), according to announcements by the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or any other announcements by related agencies. Except for approval of transactions in line with policies and criteria considered and approved by the board of directors.

Duties and Scope of Authority of the Audit Committee

1. To review the accuracy and sufficiency of the company's financial reports.
2. To review the suitability and effectiveness of the company's internal control systems and internal audits, and to consider the independence of the internal audit agency, and to approve consideration of the appointment, transfer, termination of the head of internal audit or any other agencies responsible for internal audits include an assessment of the adequacy of the internal control system. Review of Audit Committee Charter And the audit committee's charter annually, in line with current risks and circumstances. Monitoring, management and risk control Corruption With the observation. The Board of Directors is responsible for overseeing the Company's operations. To monitor the management to speed up the performance of the issues identified by internal auditors.
3. To audit the company's compliance with the laws governing securities and exchange markets, the specifications set forth by the Stock Exchange of Thailand and the laws related to the company business.
4. To consider, select and propose the appointment of independent individuals in order to serve as the company's auditors, to propose remuneration for the aforementioned persons, and to attend meetings with the auditors without the management at least once a year.
5. To consider related transactions or transactions with potential conflicts of interest for compliance with the laws and regulations of the stock market in order to ensure that the aforementioned transactions are reasonable and in the company's optimal interests.
6. To prepare the Audit Committee reports for dissemination in the company's annual report. The aforementioned reports must be signed by the chairman of the Audit Committee and must contain the following minimum information:
    (a) Opinions on the accuracy, completeness and credibility of the company's financial report.
    (b) Opinions on sufficiency of the company's internal control system.
    (c) Opinions on legal compliance on securities and exchange, and securities market regulations or laws related to the company's business.
    (d) Opinions on auditor's suitability.
    (e) Opinion on potential conflict of interest transactions.
    (f) Number of the Audit Committee's meetings and meeting attendance by each audit director.
    (g) Overall opinion or observation rendered by the Audit Committee receives on execution of duty in line with charter.
    (h) Other transactions that should be known by shareholders and general investors with the scope of the duties and responsibilities set forth by Board of Directors.
7. Any other operations assigned by the board of directors with the Audit Committee's approval.

Duties and Scope of Authority of the Executive Committee

1. To consider and propose of goals, policies, business plans and annual budgets for consideration of approval by Board of Directors.
2. The Executive Committee must supervise compliance of the company's businesses with policies, work plans and budgets approved by Board of Directors, including assessment Controlling and managing corporate risks
3. Consideration of approval of the company's regular business transactionswith investments or budgets approved by the company's board of directors.The balances for each transaction must be made under authority with the approval of Board of Directors.
4. To propose of company's structure, authority to administrate the corporationfor consideration of approval by Board of Directors.
5. The Executive Committee has the authority to appoint or employ consultants associated with corporate administration for maximum efficiency.
6. The Executive Committee must consider the company's profits and losses and propose interim dividend payments or annual dividends for approval from Board of Directors.
7. The Executive Committee has the authority to authorize any person or persons to operate under the control of The Executive Committee or authorize the aforementioned person or persons to have authority as deemed fitting by the executive board of directors within a period of time deemed fitting by Board of Management. The Executive Committee may cancel, withdraw, change, or revise authorized persons or authorizations as deemed necessary.
8. Perform other duties assigned by Board of Directors.

Authorizations authority, duties and responsibilities by the executive board of directors must not be characteristic of authorizations or temporary authorizations enabling the person or persons authorized by The Executive Committee to approve of transactions in which that person or other persons have potential conflicts of interest (according to the definitions set forth in the announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies) as stakeholders or with any other conflicts of interest with the company or its subsidiaries and/or related companies. The Executive Committee does not have the authority to approve of actions regarding the aforementioned issues. The aforementioned issues must be presented to the meeting of the board of directors and/or the meeting of shareholders (depending upon the case) for approval, except for approval of transactions under normal business and trade conditions according to the announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.

Scope of Authority and Duties of the Managing Director

1. Supervise business operations and/or administrate the company's daily work.
2. To prepare and propose of policy, strategy, business operators, budget, investment, Management Structure and rules of business according to economic situation for presentation to Board of Management and request approval from Board of Directors.
3. Response for corporate governance of the implementation and operation of the company according to policies, work plans and budgets approved by the board of directors and/ or the executive board of directors.As well as to monitor and evaluate the performance of the Company to comply with the policy and report the performance of management, including the progress to the Executive Committee, the Audit Committee and the Board of Directors
4. Consideration of approval of the company's regular business transactions with investments or budgets approved by Board of Directors, The limit for each item according to the Authority Tablethat approved by the Board of Directors but no more than the annual budget approved by the Board of Directors, including the contracts that relate to such matters.
5. To approve the cost of doing business as usual, according to the budget approved by the Board of Directors and in accordance with the Authority Table approved by the Board of Directors.
6. Establish the Company's Structure, Appointment, employment, migration work, assigning payroll, compensation, bonus and Lay off employees from the assistant department manager level.
7. Issue orders, regulations, announcements and various records for the company's performance in line with policies in the interests of the company, including the maintenance of discipline in the corporation.
8. Be able to authorize and/or to assign other persons to perform a particular assignment whereas this authorization has to be within the scope as specified in this copy of document or has to follow regulation, requirements or instruction of Board of Directors and/or to follow the Company's requirement

9. Perform other duties assigned by the Board of Directors or sub-committees.

On any issues where the Managing Director, persons authorized by the Managing Director, or persons with potential conflicts of interest (according to the definitions set forth in the announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies) as stakeholders or other conflicts of interest with the company and/or its subsidiaries and/or affiliated companies, the Managing Director has no authority to approve of the aforementioned issues. The aforementioned issues must be presented to the meeting of the company's board of directors and/or the meeting of shareholders (depending upon the case) in order to request approval, except for approvals of transactions in accordance with the company's regular business and trade conditions as set forth in the announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.

Directors and the Top management Recruitment and Appointment

Selecting persons to be appointed as directors of the company through a shareholders' meeting. The Board of Directors will consider the experience of knowledge, skills and qualifications required by law due to the Company has not nominating committee to select candidates for such positions. Then the meeting of shareholders will elect directors in accordance with the rules and procedures set forth in the Articles of Association.

Board of Directors' composition and appointment

The requirements, nomination, appointment and dismissal of the directors are set out in the Articles of Association, which can be summarized as follows.

1. The Board of Directors shall comprise of not less than 5 directors, provided that at least half (1/2) of the directors shall reside within the Kingdom of Thailand and must qualify under the law.
2. The Annual General Meeting of Shareholders shall be elected of Directors according to the criteria and method for the following:
    (1) Each shareholder shall have one vote per share.
    (2) Each shareholder may cast all his/her vote(s) to elect one or several candidates as directors, but could not allow the votes to any person at any number.
    (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 anwqual number of votes for the last directorship exceed the number of directors the Company required or to be elected at such time, the Chairman of the meeting shall have a second or casting vote.
3. At every Annual General Meeting of Shareholders, one-third of the directors shall retire from the office. If the number of directors is not a multiple of three, then the number of directors nearest to one-third must retire from the office. The directors to retire from Office in the first and second years after the registration of the company shall be determined by drawing lots, after that the director who has held the office longest shall be the first person to retire.The retired shall be eligible for re-election.
4. Any Director who wishes to resign from office shall submit a resignation letter to the company. The resignation shall be effective on the date the notice reaches the Company.
5. In the case of any vacancy on the Board of Directors (other than retirement by rotation), the Board of Directors shall elect a person who is qualified and does not possess any prohibited characterize as provided hereunder, to fill in the vacancy. The election shall take place at the subsequent Board of Directors' meeting unless the remaining term of the directorship is less than two months. The replacement director 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.
6. The Shareholders' meeting may resolve to remove any director from the office before the expiration of his/her term of office by rotation. The resolution of such case shall consist of not less than three-fourth votes of shareholders attending the meeting and entitle to vote, and the total number of shares altogether should not less than half of the total number of shares held by the shareholders attending the meeting.

Independent Directors' composition and appointment

The Board of Directors shall consider the basic features of the person to be appointed as independent directors based on qualification and disqualification of directors under the Public Law on the Securities and Exchange Commission Notification of the Capital Market Commission, including relevant rules, regulations of the Board.The Board of Directors shall consider the independent directors from experience. It will then be proposed to the shareholders' meeting to appoint a director of the Company.The Company has a policy of appointing independent directors, at least one-third of the total membership and shall consist of not less than three persons.

Independent Directors' Qualification

1. Holding share of no more than 1 percent of the total voting shares of the company, parent company, subsidiary company, related company or juristic person of person who might have conflict of interest by including the shares held by the related persons.
2. Not a director or used to be a director who has a managing role, an employee, officer or consultant who receives the salary or authorized person of the company who has the influence on parent company, subsidiary company, related company, subsidiary company at the same level or juristic person who might have a conflict of interest unless such person has been released from such status not less than 2 years before the application is submitted to Securities and Exchange Commission Thailand.
3. Not a person who is related by blood or by legal registration as father, mother, spouse, siblings and child including the spouse of the child of the managing executive, major shareholders, authorized controlling persons or those nominated to be managing executives or authorized controlling persons of the company or subsidiary company.
4. Does not have or used to have the business relationship with the company, parent company, subsidiary company, related company or juristic person who might have the conflict of interest in the way that might obstruct independent decision making. The person is not or used to be a major shareholder, director who is not an independent director, or the management of those who have business relationship with the company, parent company, subsidiary company, related company or juristic person who might have a conflict of interest unless such person has been released from such status not less than 2 years before the application is submitted to Securities and Exchange Commission Thailand.
5. Is not or used to be the auditor of the company, subsidiary company, related company, or juristic person who might have a conflict of interest and not a major shareholders, director who is not an independent director, the management or audit partner of the company, parent company, subsidiary company, related company or juristic person who might have conflict of interest unless such person has been released from the status not less than 2 years before the application is submitted to Securities and Exchange Commission Thailand.
6. Is not or used to be professional service provider including legal consultant or financial consultant who receives the service fee more than 2 million baht per year from the company, parent company, subsidiary, related company or juristic person who might have a conflict of interest. In the case where the professional is a juristic person, this shall include major shareholders, director who are not an independent director, the management or managing executive partner of the service providing entity unless such person is no longer in the status for at least 2 years before the application is submitted to Securities and Exchange Commission Thailand.
7. Is not the appointed director who represents the directors of the company, major shareholders or the shareholders who are related to the major shareholders.
8. Does not possess any characteristics that prevent giving an independent opinion on the operation of the business.

The Audit Committee's composition and appointment

The Board of Directors will appoint an audit committee, that consisting of three members who is the independent directors of the company that has qualified by the law, including the Securities and Exchange Commission regulations and/or regulations of the Stock Exchange of Thailand. In addition, the Audit Committee shall have the following additional features.

1. Not being a director who has been assigned by the Board of Directors to decide on the operation of the company, subsidiaries, joint venture, subsidiary, company in the same order or entities that may conflict.
2. Must not be the director of parent company or subsidiary in the same level of the listed company only.
3. Must possess adequate knowledge to be able to perform duties as the audit committee, in addition, at least one member of the audit committee must have adequate knowledge and experiences to audit credibility of financial statement.

The Audit Committee holds a term of three years.

Supervision the operations of subsidiary and affiliated companies

The company aims to invest in companies that engage in business as the core business of the company or companies with similar or entity that will make the company's turnover or profit increase, also invest in a business that can support the company's core business to increase the competitiveness of the company.

The company will send the directors or executives management who has the qualifications and experience to be represented in the management of subsidiaries and associated companies, to set policies and control the operations of the subsidiary and/or company. The directors who represent the company must act in the management of its subsidiaries and/or associates or operating under the company policy, including the resolution of the Board of Directors and/or the shareholders' meeting, to bring the most benefit and to the sustainable growth of the company.

The control of internal information

1. Prohibiting directors, management and employees of the Companyare disclosing company secrets and/or internal data to other individuals for personal gain or for the gain of other individuals, whether directly or indirectly, with or without remuneration.
2. Prohibiting directors, the management and employees of the Company including their spouse and minor children to use the information that hasn't been disclosed of the Company that have or may have an impact on the price of the securities of the Company,which they purchase, sell, offer to buy or sell, persuade others to buy or sell, offer to buy or sell securities of the Company, whether directly or indirectly,before the data is disclosed to the public, whether the aforementioned actions are for personal gain or the gain of others, or aimed at having the other persons take the aforementioned actions with the benefit of personal gain/remuneration. Any person found in violation will be subject to penalties according to the disciplinary measures set forth by the company.
3. Ensuring the directors and the management of the Company including their spouse and minor children report the holding of securities and report the changes in the Company's securities holdings to SEC pursuant to Section 59 and penalty provisions under section 275 of the Securities and Exchange Act B.E.2535.
4. The company strictly forbids its directors, management, employees and staff, including the spouses and under-age children of the aforementioned, from trading the company's shares for a period of one month before the financial statements are disclosed to the public.

The Company will notify the directors, management, employees and staff of the company know about the above terms.

Audit Committee Charter
ASEFA PUBLIC COMPANY LIMITED

1. Objectives

The Board of Directors have established and appointed Audit Committee with objectives to support the Boards of Directors in governance according to rightness and accountability of financial reports, internal control system, internal auditing, anti-corruption, law compliance, and other related systems. The company shall promote good governance under the principle of corporate governance, internal control by risk management guidelines, and intention toward sustainable development.

2. Composition and Structure of Audit Committee

2.1 Audit Committee are appointed by the board of directors, and the Audit Committee shall elect one of the Audit Committee as the Chairman of the Audit Committee.

2.2 Audit Committee comprises at least 3 independent directors who are not working for the company in management level. At least 1 independent director shall have knowledges, understanding, and experiences in accounting and/or in finance.

2.3 The secretary of Audit Committee determines and assigns the chief of Internal Audit department of the company to be responsible with operations according to the objectives as previously mentioned in order to support the Audit Committee in meeting appointment, agenda preparation, meeting invitation, and minute of meeting report.

3. Qualifications of Audit Committee

3.1 A member of Audit Committee must be an independent director as described in Independent Director Qualification Requirement of the company and by effective criteria, conditions, and regulations of The Securities and Exchange Commission, Thailand (SEC) and The Stock Exchange of Thailand. Audit Committee shall apply determination under authorization and responsibility independently and justly.

3.2 A member of Audit Committee shall not hold position appointed by the Board of Directors in determination any business operation of the company, a subsidiary, an associate, a same-level subsidiary, or any juristic person who may cause conflict.

3.3 A member of Audit Committee shall not be a member of the board of parent company, a subsidiary, or a same-level subsidiary which is a registered company only.

3.4 Audit Committee operate and give suggestion or report the results of operations as assigned by the Board of Directors but not be under control by the Board of Director, a director, or a major shareholder of the company, as well as a partner or a relative of a person mentioned previously.

3.5 Audit Committee have no other characteristic that restricts or forbids freedom in giving consult or review upon operation and responsibility of the Audit Committee themselves.

4. Term of Office

4.1 Audit Committee's office period is 3 years term and shall not over 2 consecutive times.

In case of a member of the Audit Committee has proper qualification to be in the office exceeding the term of office, the Board of Committee shall determine independence and efficiency of the Audit Committee's performance for extending or renew the office period more than 2 terms consecutively. The term of office renewal shall not be automated.

4.2 A member of Audit Committee's Term of Office expires when:

(1) Term Expiration,

(2) Being removed from the Board of Director,

(3) Resignation,

(4) Decease,

(5) Failure to meet the qualification as required by this charter or by the criteria of the Securities and Exchange Commission and the Stock Exchange, and

(6) Dismissal by the resolution of the Board of Directors.

4.3 In case of entire Audit Committee vacates the office, the resigned committee shall act for the vacancy until the new Audit Committee are appointed.

4.4 In case of a member of Audit Committee vacates the office prior to the term, the Board of Directors shall appoint one of the Board members who is fully qualified to be a member of Audit Committee in action and shall be in the office only within the term of office of the vacant position.

4.5 Resignation of Audit Committee shall be notified to the Managing Director in written document 30 days time in prior, except the case of unavoidable necessity approved by the Board of Directors.

5. Quorum and Meeting

5.1 Audit Committee shall have meetings at least 4 times in a year and are able to have additional meetings as necessary.

5.2 In an Audit Committee meeting, the Audit Committee shall attend the meeting not less than a half of the committee members as appointed by the Board of Directors to assemble the quorum. In case of the absence or unavailability of the Chairman of Audit Committee, the attending committee shall elect one of the Audit Committee in the meeting to act as the chairman of the meeting.

5.3 An official decision of the meeting is in accordance to and approved by majority vote.

5.4 An Audit Committee member has one voting right. In case of a committee member is a stakeholder in the matter under consideration, such member holds no right to vote in the subjected matter. In case of a tie voting result, the chairman of the meeting holds extra voting right as a decisive vote.

5.5 In calling for an Audit Committee meeting, the Chairman of Audit Committee or the Secretary of Audit Committee under an order from the Chairman of Audit Committee make invitation letter delivering to Audit Committee 5 days in prior to the meeting date. In case of force majeure or unavoidable necessity, meeting invitation shall be delivered by other methods or preponing the meeting date.

6. Authority of Audit Committee

6.1 Audit Committee have authority in inviting managements, internal auditors, auditors, or any person related to an agenda of the meeting to attend the meeting, and Audit Committee have authority to call for information by necessity and propriety.

6.2 Audit Committee have authority to hire consultants or individuals outside the company for giving independent advice or consult in case of necessity. The process of hiring must be adhered to the regulations of the company, and the company shall be responsible to the payment of the wage.

6.3 Audit Committee shall verify and investigate any matter or circumstance as well as call for company information as necessary in order to achieve the operations under the responsibility of Audit Committee.

6.4 Audit Committee shall attend the meeting with auditors for consultation at least once a year with no presence of the managements.

6.5 Audit Committee shall assess the performance of the supreme superior of internal audit department and endorse recompense determination for employees in internal audit department as prescribed in the company's regulations including endorsing the appointment or the relocation of internal audit employees.

7. Duty and Responsibility of Audit Committe

7.1 Audit Committee review and adequately reveal the financial reports of the company for accuracy and correctness by coordinating with auditors and directors of the company who are responsible for financial reporting quarterly and yearly.

7.2 Audit Committee review inter control system and internal audit system for the company to process properly and efficiently by collaborating with auditors and internal auditor, and Audit Committee determine the independence of internal audit department.

7.3 Audit Committee review the operation of the company to be aligned with Securities and Exchange Law, the regulations by Stock Exchange of Thailand, or the law related to the business of the company.

7.4 Audit Committee determine and designate the auditors of the company and determine the recompense of auditors from reliability, sufficiency of resources, volume of work, and experiences of a person who is appointed to work as an auditor for the company.

7.5 Audit Committee determine connected transactions or possible conflict of interests to be aligned with the law and regulations of Stock Exchange of Thailand in order to assure the validity of the transaction and for the best benefit of the company.

7.6 Audit Committee determine and arrange the lists of activities undertaken by Audit Committee and publish them in the company's annual report which is approved by signature affixed by the Chairman of Audit Committee. Activity reports are listed as follows.

- Consideration on the process of arrangement and information reveal in the financial reports of the company with accuracy and accountability.
- Consideration on sufficiency of internal control system of the company.
- Consideration of the qualifications of an auditor who shall receive one-year extension office term.
- Consideration on law compliance related to Securities and Exchange Law or any law related to the business of the company.
- Any other reports which the Audit Committee conclude that the shareholders and common investors shall be informed under the scope of duty and responsibility as assigned and appointed by the Board of Directors.
- Consideration of possibility of conflict of interests.
- Numbers of Audit Committee meetings and numbers of attendances of each member of the Audit Committee.
- Consideration or overall remarks which the Audit Committee have been delivered during the operations in accordance to the Audit Committee Charter.

7.7 Audit Committee undertake and act any other operations or duty assigned by the Board of Directors. Herein, the assignment shall be under the scope of duty and responsibility of the Audit Committee.

8. Performance Appraisal

Audit Committee shall organize and arrange Audit Committee Performance Appraisal by self-assessment or any other appropriate methods in order to assure stakeholders and any person related to the operations of the Audit Committee in the scope of responsibility and to review and develop the operations and performances for the best efficiency and achievement of prescribed objectives.

This Audit Committee Charter is effective on February 25th, B.E. 2559 onwards.

(Mr. Sorasit Pungsug)
Chairman of the Board

Code of Conduct

The board, directors, and employees mutually agree and enter into this Code of Conduct as practical standards for the company's business ethics. The company has issued the provisions prescribed in this Code of Conduct for the board, directors, and employees to adhere and follow as a guideline, since the company strongly believe that this Code of Conduct shall lead to the best business operation efficiency.

1. Scope

This Code of Conduct implements and is applied to the board, directors, and employees as well as subsidiary companies and other business operations under the management and control of the company.

2. Practice

The board, directors, and employees are responsible and expected to make understanding and adhere to this Code of Conduct as well as additional company's policies.

The board and the directors shall perform the adherent to this Code of Conduct by being a good role model to the employees, creating work atmosphere to support these provisions of this Code of Conduct, and showing intention to suppress and prevent misconduct activities at workplace.

Any employee who violates this Code of Conduct or any related policy or allows any subordinate to commit violation against this Code of Conduct shall be penalized by disciplinary action that may include contract termination, compensation for damages, and penalty by Civil Code and Penal Code.

Actions likely misled to disciplinary actions.

(a) Misbehaviors that violate a company's policy
(b) Action of convincing others to violate a company's policy
(c) Neglection to report any violation or suspicious action against a company's policy
(d) Neglection to support the investigation to identify possible violation to a company's policy
(e) Imputation other employee by false report accusing offending or associating violation to a company's policy
(f) Neglection to demonstrate leadership and superintendence for good practices following company's policies and any related regulation.

3. Honesty and Accountability

Honesty is a major factor creating trust and reliance. If a company is unable to receive trust or reliance, such company shall find difficulties in business operation, so that the company shall achieve a goal of success which includes best trust and best satisfaction from the customers. Therefore, the board and employees must adhere to honesty, justice, and rightness in order to gain and receive reliance from the customers.

4. Habitual Respect

The board, directors, and employees shall act and behave themselves as they require others to behave to them. Therefore, it is necessary for the entire company to respect others or any individual who the company is contacting or related to.

5. Justice and impartiality

Justice, patience, respect, and impartiality are the key parts of an organization. Prejudices by nationality, race, gender, religion, age, family, or any related cause are considered serious violation to the company's policy.

6. Copyrights and Intellectual Property Rights

Violation to any copyright, any patent, any trade secret, and agreements or conditions of authorization is considered illegal in every way.

Usage of Computer Software system at work in each day by the board, directors, and company employees shall be under the regulations issued by the company. Software duplication is prohibited unless there is a legal authorization.

7. Confidentiality

Principles of the company's honesty cover information confidentiality which the company has made commitment and promised to classify and keep confidential information obviously and implicitly and shall be applied in case of the company is informed or delivered classified information which is non-disclosable information to the public and not related to any commitment or responsibility bonded by any agreement entered into by the company.

The board, directors, and all employees shall classify and maintain confidentiality of information between the company and the customers' companies, contractors, suppliers, business partners, or any individual until the company has been released from the commitments or responsibility upon such confidentiality by law or by the provisions in this Code of Conduct.

8. Accuracy of Company Information Records

Any company information shall be recorded and stored with accuracy and punctuality for the best efficiency. Company information means entire information related to the company including quality, safety, human resource, finance and accounting, etc.

All accounting and financial journals and reports of the company shall show accurate transaction and events as commonly accepted by the principles and standards of accounting and according to internal control system. False information or discrepant information is absolutely prohibited.

9. Internal Information and Commercial Information

The company does not allow any employee, any director, or any member of the board to use internal information containing any content which the company does not disclose to the public for personal benefit or third party's benefit, and such information includes the company's security trade by employees, board, or directors who work in section or department with access to internal information. The company asks for avoidance and cessation of the company's securities within 1-month time before financial statement disclosure to the public, and the company prohibits employees, board, and directors from disclosing or use any confidential information of the company. Employees, board, and directors are responsible for confidentiality and shall not make misappropriate benefit or cause loss of the company's benefit from their positions or information assigned or delivered while working for the company. The company shall find ultimate punishment for those who use internal information or commit behavior that causes damages and loss to the company.

10. Legal and Regulation Compliance

The company expects the board, directors, and employees to give special importance to actions and practices under laws and regulations related to the company's business that includes punctuality of tax filing and tax payment which must be done within the time limit with accuracy and verification.

11. Competition Fairness

Fair competition is one of the company's policies, and the company shall compete with good intention and steadiness. The company shall not commit illegal or immoral action in information collecting for advantage in business competition, and the company prohibit information smuggling includes confidential information, trade information, or trade classified information with no permission from information owners. The company also prohibits fraud or misleading action to obtain information from former employees or active employees of the competitive company to disclose confidential information for the company.

12. Responsibility to Stockholders

Operations, actions, and decisions made by board, directors, and employees are for the best benefits of the stockholders only.

The board, directors, and employees are prohibited to use the property of the company for personal benefits or any objective which is not related to the business of the company or for financial relation with suppliers, government agencies, partners, or competitors of the company.

13. Communication

The company adhere to honest and transparent communication both internal and external with rightness, validity, forthrightness, and proper usage of communication channel in accordance to each situation.

The company prohibits communication, publication, or announcement inside or outside the organization by verbal or written methods that are likely false, discrepant, hostile, or defaming a person or a group of people.

Every communication must be done with soft and polite language, so the company's image and reputation shall be maintained flawlessly without any damage the company's name.

14. Connected Transaction Related to the Company

(a) In case of a member of the Board or an employee is processing any connected transaction that is related to the company, the company shall operate as if the company is acting with an external person, and the member of the Board or the employee is unable or shall not participate in endorsement or approval.

(b) Directors, employees, and close persons shall not receive money, benefit, or any object from a person whose business related to the company. Receiving such things may cause misunderstanding that the receiver has prejudice or business connection with the giver, and this action may cause damages to the business of the company.

(c) Directors, employees, families, and people who reside under the same roof shall not operate business/ any activity which is probably understood by people that the business/ activity contains conflict of interests with the company both directly and indirectly.

15. Natural Resource Conservation

Directors and employee shall realize and be aware of participation in natural resource and environment conservation. Directors and employees shall pay effort and attempt to prevent the company from any action that may cause damage or pollution to the natural resource, environment, and related ecosystem.

Harassment

The company adheres to create decent work atmosphere for the best efficiency with no harassment at workplace, and the company shall earnestly investigate to find fact soon after receiving a report of situation or any behavior that is not aligned with the company's practice. If the investigation finds any harassment or threat, disciplinary actions shall be raised to control such threat.

Types of Harassment

(a) Verbal Harassment e.g., distorting, defaming, or imputing others.

(b) Physical Harassment e.g., threatening, assaulting, or injuring others.

(c) Visual Harassment e.g., aggressive interaction, offensive gestures, or showing displeased images.

(d) Sexual Harassment e.g., seduction, sexual exploitation, or sexual offense both physically and verbally.

Gambling, Alcohols, and Drugs

(a) All employees are prohibited to possess, sell, buy, transport, drink, or use any alcohol drink or controlled substances (except by the medical prescription) in the area of the company.

(b) All employees are prohibited to play or commit every kind of gambling in the area of the company.

Guideline

The provisions of this Code of Conduct may not be able to cover all situation or respond to every question that may occur, so the company shall apply endorsement or discretion from the board, directors, or employees. The determination shall indicate rightness and proper time for consultation to find the best appropriate action.

5 Questions to Find "the Right Practical Ways"

(a) Safety – Is there any affect to life, health, or safety of other person by an action that I have committed or not committed?

(b) Regulations – Is the action that I have committed or not committed violating the laws of the country, the local laws, or any regulation?

(c) Policy – Is the action that I have committed or committed violating policies, regulations, and practical guidance of the company?

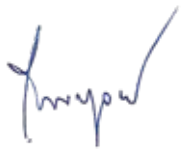
(d) Dignity – If the action that I have committed or failed to commit is reported to the superiors or among the employees, shall I be ashamed of such action?

(e) Image – Is the action that I have committed or not committed showing inappropriacy, dishonesty, or causing imputation to the company?

If one of the answers to these mentioned questions is "Yes", the action that employees are committing or not committing is probably violating this Code of Conduct. If there is any doubt in such action, the employees shall seek consultation or discussion with their superiors or human resource department.

Conclusion

Fairness, honesty, and morality are the keys in the company's business operation, and concurrently the company is determined to provide the best services for stakeholders. Such determination shall be contained as a part in the identity of the board, directors, and every employee, and it shall be demonstrated through speech, action, and demeanor. Respect, attention, and enthusiasm shall be shown apparently during communication with the customers both through a phone call or a mail correspondence.



(Mr. Phaiboon Ungkanakornkul)
Managing Director



Business Policy

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Section 1
Objectives

1.1. The company expects the best benefits and sustainable stability from the investment under the principles of righteousness.

1.2. The company expects to be a pioneer developing an advancement to demonstrate leadership in its industry by fundraising, technologies, and management efficacy.

1.3. The company supports activities of which create growth of national economy with awareness in responsibility towards society and good morality perpetuation.

Section 2
External Relationship
Main Policy

2.1. Main Policy

The company sets its goal and pay the best capability to found and to support economic growth and advancement for the best benefit to the society as well as to support activities which are promoting national economic status.

2.2. Good Citizenship of the Company

The company acts and adheres to good citizenship principles, and the company shall pay all resources to maintain this confidence as a part of the society. The company shall support, cooperate, or give useful and practical opinion for society and government under the capability of the company.

The company and its employees respect and follow every act of laws as well as follow and operate under the standard of ethics at high level. The company pays tax according to the righteousness of the law.

2.3. Relationship with Other Institutes

The company shall create good relationship for the best support by the good visions between institutes including trade institutes, academic institutes, mass communication institutes, and other educational institutes.

2.4. Charity

The company shall support charity activities appropriately with no discrimination towards religions, and the company shall support academic activities in order to create benefits to the public widely.

Section 3
Management

3.1. Main Policy

The principles of the company's business management aim to apply modern management with the operation of the company in order to achieve objectives, attain expertise, create good atmosphere for collaboration and participation among employees in every level.

3.2. Objective Assignment

Each manager shall set objectives and goal in prior and revise annually. In every 3 months, managers shall forecast the situation 12 months in prior and assign revised standards or goals referring to the actual situation within deviation range not exceeding 2 percent.

3.3. Planning

Managers shall arrange annual budget for the company in order to prepare management plan in prior. In planning, the company has policy determining employee association, production, marketing, the needs of working capital and fixed capital, increasing production capacity, business expansion, and so on.

3.4. Organization

3.4.1. The company shall organize and revise the form of the organization to be coherent to situations and to achieve objects and goals set by the company.

3.4.2. The company shall arrange the organization for planning, goal setting, and coordinating with central management. The operation shall be categorized and divided by the organization structure, herein, for operative strategic distribution.

3.4.3. The company adheres to organization principles, and each section and department is supported by central specialist department.

3.5. Role and Responsibility

3.5.1. The company shall develop efficiency in management to its best performance by distributing authorization and roles to management level sufficiently to create responsibility in all assignments and to support the flow of work and business efficiently. The operative decision authority is within the scope of policy and regulations of the company.

3.5.2. Authorization and Responsibility Delegation must be in accordance to the following criteria.

3.5.2.1. Authorization and responsibility are assigned to be coherent and proper with the characteristics of work and the competency of the assignees.

3.5.2.2. Authorization and responsibility process is complete when the assignees admit the assignment, so the responsibility is occurred at the time being.

3.5.2.3. Employees who are assigned shall make a decision and operate only within the scope of the assigned work or responsibility.

3.5.2.4. Assignors shall take responsibility of work and decision made by the subordinates.

3.5.2.5. When roles and responsibilities end, entire related participants shall take responsibility and cooperate in defining orders.

3.5.3. The company believes that authorization and delegation are capable to raise responsibility of work among the employees, accelerate the operation of the company, and support the management level in manipulation of related important subjects.

3.6. Supervision and Coordination

3.6.1. All employees must be aware of chain of command and disciplines to respond to commands and orders. Commands shall be passed through the chain of command and cohered to field of work by hierarchy respectively, and the commands shall be delivered straight to the assignee to practice and act.

3.6.2. In case of conflict with the company's regulations, coordination between departments may be acted directly. In case of an employee must to contact other employee about assigned tasks or activities, such employees are able to contact each other directly. In case of important subjects which must be acknowledged by superiors, the employees must use their common sense and consideration carefully to clarify communication and opinion thoroughly and independently. Communication outside the field of work shall not associate with commands.

3.7. Creating Passion to Work

The company is aware that the achievement of work depends on demand to work, so that the company unfailingly maintains each employee's importance, requirements, and ideal. The company opens opportunity and support employees to apply knowledges and intelligence to achieve each position's objectives.

3.8. Result Assessment and Control

The company shall assess result of work operated by each department monthly to study and find cause of discrepancy and apply amendment to achieve goals in accordance to the budget which is set in prior.

Section 4
Advancement

4.1. Main Policy

The company shall operate its business considering growth and advancement objectives consistently.

The company believes that united advancement shall lead to achievement of the company's objectives and provide all employees basic needs, security, opportunity, and growth in career path.

4.2. Growth of Company

The company sets objectives of growth in 5-year time as follows.

4.2.1. The company shall increase sales to the maximum level in accordance to reasons and overall condition of the market.

4.2.2. The company shall make profit as much as possible in coherent to marketing and business expansion plans.

4.2.3. The company, including its subsidiaries, shall make income and reserve profit after withholding tax and dividend.

4.2.4. The company shall determine transforming and registering as a public company.

4.3. Investment

4.3.1. Primary Consideration Criteria

4.3.1.1. The company shall invest in business to achieve main objectives of the company.

4.3.1.2. The company shall consider investment by situation and proper opportunity.

4.3.1.3. The company has policy to invest in industry including electrical devices, machinery, communication, and energy principally.

4.3.1.4. The company shall invest in projects which utilize available resources or support active business.

4.3.2. Consideration and Decision

Component in making decision depends on payoff ratio per risk and uncertainty, and performances of the company including marketing, capital, technology, human resource, raw material sorting, and management under the company's prescribed criteria.

4.3.3. Joint Venture and Guaranty

Conditions of policy in associating a joint venture in management, sale, financial control, and guaranty are according to the criteria specified by the company.

4.4. Research and Product Development

The company shall consider developing new products as demanded by the market when the development brings positive results to the growth and expansion plan of the company. The company shall be recognized as the first pioneer innovating and introducing the products to the market or as a leader in the market of the developed products

4.5. Productivity

Advancement and plan achievement with best profit of the company depends on the efficiency of operation and productivity with high level of human resource, materials, and machinery.

The company shall avoid unnecessary operative expenses. Cost reduction goals shall be achieved by the earnest awareness from all department managers.

The company shall appoint and found cost reduction committee in order to coordinate and assess the cost reduction result in every year regularly.

Section 5
Employees

5.1. Main Policy

The company has principle that the achievement of the company depends on the competency of employees, so that the company shall implement all measures to recruit the right person to work with the company, and the company shall find the best way to keep such employee working with the company. as long as possible. The company adheres to the principles to develop and maintain creative attitude, unity at work, and good spirit among employees.

5.2. Employee Relation

The company shall maintain justice for every employee and accept creative idea which is beneficial to the company. The company shall direct and manage the business with discipline and plan to establish unity and understanding among employees, and the company shall support employees with opportunity as the company business co-owner.

5.3. Expectation toward Employees

Employees must understand their roles and responsibility, and employees shall work with all ability with attention in work regularly. Employees must cooperate with the company.

5.4. Compensation

The company pays best effort to pay and compensate employees not less than other company does to identical or similar work. The rate of paid compensation is aligned with roles and responsibilities of employees.

5.5. Welfare

The company shall pay attention to welfare of all employees in aspect of living as well as find supports for employees as prescribed.

5.6. Working Condition and Accident Prevention

The company believes that good working condition makes good results of work for the company. Working hour s and workplace condition must be adhered to standards and providing safety in workplace sufficiently, and management level shall specify measures to prevent accident. Meanwhile, employees shall work with cautiousness to prevent accident that may happen to themselves, other persons, and properties of the company.

5.7. Employee Training

The company has policy to levitate employees' knowledges and ability by arranging and providing proper trainings. In case of the company sends employees for training, the company shall be responsible for expenses in the training as prescribed by the company, and the company shall provide internal training and support employees to increase knowledges in work and any additional knowledges.

5.8. Work Assessment and Promotion

The company shall assess the operation of employees periodically. Praises and promotion shall be brought to those who work with good performance in proper occasion by fairness. In case of undecisive condition, an employee with best expertise and seniority shall be considered in prior, and if there is no proper internal candidate, the company shall consider the right person from outside.

5.9. Work Allocation

The company provides the employees (not by command) the opportunity to allocate to other position or work in order to allow the employees to work with the best competency and to increase and widen knowledges and skills.

5.10. Retirement

The company has policy to set retirement with objective to support employees in planning and preparing after retirement life and to set order of retirement for every employee with fairness. This shall support the company in human resource planning and promotion opportunity for the employees either.

5.11. Company's Interest Protection

Directors or employees shall not ask for or admit money, loan, improper service or travelling, or luxurious gifts from any person or an agent of business body in contract with the company or in attempting to contact with the company.

Officers or employees of the company shall contact the subcontractors, customers' suppliers, or any related person with intention to protect the company's interests and benefits as much as possible without considering personal relationship.

Employees and officers must not have interests or benefits in another company which deems as a cause to indecisive situation and unexpected conflict of interests which prohibiting such employees in finding best benefits for the company.

In case of violation to this policy, employees or officers must be penalized with possibility of contract termination.

5.12. External Business

In case of the company has been contacted from external business, the company shall decide to support activities that create pride and fame for the company and the employees, and such activities or business shall not cause impossibility in operation or responsibility as usual, damages or loss to the company. Activities, herein, include lecture, articles, consulting, and any activity of an association with or without payment or compensation.

Section 6
Finance

6.1. Main Policy

Finance is an important factor in business. The company shall establish stability and security in finance by finding and spending money with efficiency for the best benefits.

6.2. Stability and Security

The company shall implement financial policy for stability and security as follows.

6.2.1. Current assets must not be less than current debts.

6.2.2. Long-term loan shall not exceed safety limit of coordination between long-term debt and net value, and the company shall not loan over 75% of maximum loan.

6.3. Source of Money

6.3.1. The company implement policy on short-term loan by determining coordination between current assets and current debts, and long-term loan shall be an initiation or a project development to increase net gross and establish stability, or respond to the requirements of the company or its subsidiaries.

6.3.2. The company shall implement policy to increase capital or issue corporate bond if necessary.

6.4. Use of Capital

The company shall allocate capital in development for advancement in fixed assets, in inventory, in lending, in securities, and in cash within appropriate ratio which makes the best benefits to the company.

6.5. Control System

6.5.1. The company shall organize accounting formation in accordance to standards and regulations showing result of business operation and accurate monetary status in every month.

6.5.2. The company shall set internal audit system for the company and its subsidiaries as prescribed in regulations.

6.5.3. The company shall control payment in accordance to the budget. Payment outside the budget plan must be approved and endorsed in particular.

6.5.4. Operative reports and others including financial status shall be done with prompt manner and aligned with regulations of the company.

Section 7
Procurement

7.1. Main Policy

The company shall implement policy to sort quality products and goods in appropriate price standard, and the company shall sort new products with lower price in equivalent standard to replace the former ones. The company shall explore new resources with good quality. In case of few numbers of resources, the company shall prepare reserved sources if urgent. The company shall maintain good relationship with suppliers and support their business by providing goods, raw materials, assets, materials, and services once as soon as required.

In case of the required product is available in a company's subsidiary, the company shall consider purchasing from the subsidiary.

7.2. Replying

Communication with sellers must be done by good manner and maintain good relationship adhering to the foundation of justice and fairness. The company must not take advantage from any mistake occurred to the sellers, and the company shall save the sellers' valuable time if not necessary. The company shall inform the sellers to understand the company's policy and process in procurement.

7.3. Procurement Etiquette

Purchaser shall not implement business that is likely considered conflict of interest making own benefit by the position of work both directly and indirectly.

7.3.1. Purchasing officer shall not receive any gift from sellers or those who expect to have business with the company which is related to or suspected to affect decision making of the purchasing officer. In case of the gift has been sent to the purchasing officer, the purchasing officer shall refuse and send the gift back with brief explanation referring the company's policy.

7.3.2. Officers related to purchasing process shall not accept or admit any privilege from the sellers that may probably cause obligation with officers themselves or with the company. The officers must refuse such privilege in polite manner and explain the sellers to understand the policy of the company.

7.3.3. High-price sample shall be purchased only if necessary and shall not ask for free. In case of quality testing sample is sent to the company, the company shall have obligation in statistic recording and notify the test result to the sender.

Section 8
Production

8.1. Production Policy

8.1.1. The company has objectives to manufacture products with best quality by modern technics and machinery, cost saving production, sufficiency, and punctuality as required by the market and as a leader in the industry.

8.1.2. The foundation of an advancement of the company is high quality product manufacturing, so that the company shall not admit or release disqualified products to the market definitely. The company, at least, shall manufacture products with equivalent quality to the competitors' best products and with the best utilization by the objectives of the production as required by the customers.

8.2. Product Standards

8.2.1. The products of the company shall contain more remarkable characteristics than the competitors' products appropriately as required by the market including components, attributes, color, design, and packaging with the lowest cost.

8.2.2. The products of the company must be advanced and leading other products of other company in the similar industry. With research and development, the company shall attain leadership in product manufacturing to respond with the customer's satisfaction and requirements. The company shal innovate and develop products to gain more and higher satisfaction from the customers or users.

8.2.3. The company shall pay attention to new innovations and inventions, and the company shall study, research, test, and support instant products to obtain best quality and utilization.

8.2.4. The products of the company must be complete fully as required by the market, and each product shall be standardized accurately.

8.3. Production Planning

The company shall plan the production with regularity, efficiency, and capability to respond to the requirements of the market.

8.4. Machinery and Production Equipment

8.4.1. The company is aware of productivity by machinery and peripheral equipment, and the company shall implement policy to utilize machines and equipment in manufacturing to the best efficiency and appropriation as well as revision, changes, and modern machinery and technology in production.

8.4.2. The company shall apply preventive methods in maintenance of machinery and equipment for the best performance and utilization in the best condition.

8.5. Production Materials

8.5.1. The company is aware of productivity increment from productive materials and shall implement policy to control and minimize loss at the lowest level.

8.5.2. The company determines levels of inventory coherent to the sale by considering appropriation and expense control system.

8.5.3. The company shall explore for new materials or replacements to reduce producing cost to the lowest point with consideration of quality and standards.

8.5.4. The company shall pay effort in making self-produced materials, if possible, to reduce cost without conflict with technical principles.

8.6. Operations

8.6.1. The company is aware of productivity from employees' operation and shall implement policy to develop best practice of work to be appointed as proper and efficient standard.

8.6.2. The company has policy to determine standard office hours.

8.6.3. The company shall indicate and apply methods and standards for controlling and planning production process and work process to meet the requirements of customers and for the best quality.

8.7. Quality Control

8.7.1. In order to produce quality goods as required, the company shall set and apply proper quality control system from sorting raw materials used in production to the complete products.

8.7.2. Every product of the company, before delivery to the customers, must be verified and checked attentively to meet required standard and quality.

8.7.3. The company shall not neglect the responsibility on quality of every product of the company.

Section 9
Sale and Marketing

9.1. Main Policy

9.1.1. The company has an objective to maintain leadership in marketing related to products manufactured and sold by the company. Strategic plans of marketing and sale department shall be determined by opportunity of being a leader of related products.

9.1.2. The company shall study, research, and develop to apply modern marketing techniques with efficiency, and the company shall organize the structure of sale and marketing department with accuracy and competency. The company shall pay best effort to recruit proper human resource to work in sale and marketing department in order to strengthen the performance of sale and marketing department regularly.

9.1.3. The company, in prior, considers and plans the requirements of the market towards the company's active products distributed to date and in the future.

9.1.4. The company shall respond to the requirements of the customers with decent quality products with reasonable price and shall treat and service all customers with fairness justly.

9.1.5. The company behaves and maintains manner in marketing including new product creation and introduction, action towards competitors, advertisement, and sale support with good governance.

9.1.6. The company shall commit marketing research, study, and assess the result of evolution and trend of sale regularly and consecutively. The company is aware that some evolution and some trend affect changes in present marketing and operation of the company. However, the company believes that study and assessment shall open opportunity widely for the advancement and the growth of the company's business.

9.2. Customer Policy

9.2.1. The company considers customers an important foundation of the business, and the growth of the company depends on the customers' satisfaction. Therefore, the company has responsibility to service the customers with the best efficiency by requirements and satisfaction of the customers professionally and practically in order to create good attitude and reliance from the customers.

9.2.2. The company shall service the customers with sincereness to meet the requirements of the customers as much as possible in order to create understanding from the customers that the company is sincere to service and find solution for the customers in business implement. The company shall assist the customers to acquire the best benefits from selecting and using products of the company, and such benefits are not occurred to the company solely.

9.2.3. The company shall increase the numbers of customers as adequate and coherent to production expansion or introduction of the company's new products.

9.2.4. To support the financial condition of the customers, the company shall give credit or loan to the customers by security methods cautiously in support competitive performance of the company in the market.

However, the term of credit given to customers or sale representatives shall be limited with necessity in competition to support the company with ability to sell products widely and extensively, and the capital of the company shall not be illiquid by such action.

9.2.5. Appeals made by customers are acceptable and considered important, and the appeals shall be responded immediately in accordance to the causes and results. Conversation by both parties shall be committed with friendly manner as partners.

9.3. Sale Policy

9.3.1. The company implement policy to distribute products manufactured by the company and its subsidiaries, except the case of related products which are not manufactured by the company.

9.3.2. The company shall set price and standards of the products with classes by justice and fairness.

9.3.3. The company shall increase sale and marketing domination to the highest rate as much as possible by rationality.

9.3.4. The company has no policy to compete with other company by undercutting or underbidding, and the company shall compete with quality improvement of products and services as well as sufficiency of products as required by the customers.

9.4. Advertisement and Sale Support Policy

9.4.1. The company has policy to create good attitude toward the products of the company professionally.

9.4.2. The company shall implement and use advertisement and product sale support to obtain reputation and recognition from the customers more than other competitors constantly.

9.4.3. The company shall use advertisement and sale support methods to introduce new products or less well-known products to gain better reputation and popularity among customers.

9.4.4. The company shall not advertise the features of products with false or exaggerated information that may cause damages or unexpected results to the consumers, and the company shall not defame or discredit the competitors' products (The company shall implement and maintain advertisement and sale conduct steadily).

9.4.5. The company and its subsidiaries implement advertisements and public relation to demonstrate the advancement of the company and to create good attitude from the public and customers both domestic and overseas in order to create satisfaction and pleasure in selecting and utilizing the products of the company.

Anti-Corruption Policy
ASEFA Public Company Limited

Objectives

ASEFA Public Company Limited (the "Company") and its subsidiaries operate their businesses with transparency and are aware of the importance of the anti-corruption practices in all forms, in compliance with the law and for the public interest, as well as encourage their employees to perform their duties ethically and act as good citizens.

Therefore, the Company has established the Anti-Corruption Policy in order to put in place clearer guidelines and practices for preventing and opposing corruption in the Company and its subsidiaries by means of creating an organizational culture where all employees realize the negative effects of corruption, emphasizing good corporate values, and increasing the confidence of all interested parties in order to ensure effective anti-corruption strategies.

Definitions

Corruption means the abuse of power or property for personal interest or others' interests, or to cause damage to others' benefits. Corruption may be in the form of bribery; giving gifts, money, or other benefits; fraudulent acts; money laundering; misappropriation; concealment of facts; obstruction of justice; misuse of authority to threaten other persons or claim benefits or business decisions from other persons, and includes relationships among private entities and government agencies and relationships among private entities.

Bribery means the giving or offering of monies, properties, or any other benefits to another person with a view to cause such person to act or omit any act or refrain from performing duties in order to acquire or maintain undue business interests, that are contrary to the law or ethical behavior, or that may adversely affect the image of the Company.

Personnel of the Company and its Subsidiaries means the Board of Directors, executives, permanent employees, temporary employees, and contract employees of the Company and its subsidiaries.

Scope

1. Anti-Corruption

1.1 The Board of Directors, executives, and employees at all levels of the Company and its subsidiaries are prohibited from taking part in any form of corruption, whether directly or indirectly, including bribery, and the seeking of any form of undue benefit, such as demanding, receiving, offering, or giving property or any other benefit, involving government officers or any other persons who engage in business with or create business opportunities for the Company or its subsidiaries for their own personal interest or others' interests.

1.2 The Company has a policy to comply with the laws and standards relating to anticorruption practices in Thailand and all countries where representatives of the Company operate the business on its behalf.

1.3 This Policy shall apply to representatives, contractual parties, or any other persons who undertake acts on behalf of the Company and its subsidiaries.

1.4 Directors, executives, and employees who undertake any act which is in violation of or is not in compliance with this Policy, whether directly or indirectly, shall be subject to disciplinary procedures in accordance with the regulations specified by the Company or legal offense. In this regard, the personnel of the Company and its subsidiaries must understand and comply with the Anti-Corruption Policy at every step in the performance of work. In the case of any act contrary to this Policy, the employee shall notify his or her supervisor or the responsible work unit/person of such act immediately.

1.5 The supervisor who neglects any violation or non-compliance with this Policy by his or her subordinates, or is aware of such action but fails to rectify or act as a whistleblower for such violation or non-compliance, shall be subject to disciplinary procedures in accordance with the regulations specified by the Company or its subsidiaries.

1.6 Any representatives or contractual parties of the Company and its subsidiaries who violate this Policy shall be subject to termination of contract.

1.7 The Company shall not punish, demote, or cause adverse effect to any directors, executives, or employees who refuse to act or perform any acts which cause corruption, even though such acts may cause the Company and/or its subsidiaries to lose business opportunities.

2. Duties and Responsibilities

2.1 The Board of Directors has the duty to put in place an effective anti-corruption process in order to ensure that the executive realizes the importance of anti-corruption principles and cultivate such values as a part of the organizational culture. If an instance of corruption is found or suspected, the Audit Committee shall report this to the Board of Directors.

2.2 The Board of Directors has the duty and responsibility to review the financial and accounting reporting system, internal control system, internal audit system, and risk management system in order to ensure that they are stringent, up-to-date, and efficient in accordance with international standards.

2.3 The executive has the duty and responsibility to establish an anti-corruption policy promotion and support system, communicate about the system with employees at all levels, and cultivate such values as a part of the organizational culture, as well as to review, audit, and revise various systems and measures in line with changes, and conduct a corruption risk assessment on a periodic basis, in order to identify high-risk events and determine protective and corrective measures.

2.4 The internal auditor has the duty and responsibility to audit and review the performance of work in accordance with the policy, guidelines, authority, regulations, and laws, in order to ensure that the control system is appropriate and stringent with regard to anti-corruption principles, and shall report to the Audit Committee.

3. Exchanging Gifts, Organizing Entertainment, and Holding Receptions

3.1 Since the Company realizes the importance of good business relationships with customers, this Policy does not prohibit any act which is transparent and forms part of the ordinary course of business, and is reasonably permitted by laws, regulations, local traditions, or trade practices, such as organizing entertainment, holding receptions and giving or receiving gifts on special occasions which are in accordance with the Business Code of Conduct.

3.2 Organizing entertainment, holding receptions and giving or receiving gifts are only permissible in the following circumstances:

(1) Not being for the purpose of inducing inducement to carry out or avoid undue acts, influencing business decisions, or causing to receive unfair benefits;

(2) Not being in violation of this Policy, the Business Code of Conduct of the Company and its subsidiaries, or any relevant laws;

(3) Giving or receiving gifts being performed in the name of the Company or its subsidiaries, but not in the name of individual person;

(4) Giving or receiving gifts on the appropriate occasions in accordance with tradition, i.e., exchanging gifts at a New Year's party;

(5) Giving or receiving gifts being performed openly;

(6) Holding receptions being performed as necessary, with reasonable expenses, and without wasteful or excessively frequent arrangement.

4. Political Contributions

4.1 Political contributions mean the provision of financial assistance or other assistance to a political party or a politician, including provision of loan, donation of money or property, and provision of services.

4.2 The Company adheres to a political neutrality policy and does not support any political contributions or any acts favorable to any political party.

4.3 The directors, executives, and employees of the Company and its subsidiaries have the freedom under the Constitution and relevant laws to take part in political activities, such as voting in elections, referendums, etc., and shall not use the property, resources, or working hours of the Company or its subsidiaries to provide services on behalf of the Company or its subsidiaries, or falsely use the name of the Company or its subsidiaries to support any political activities, or any acts which may lead to the misunderstanding that the Company or its subsidiaries support or are involved with a political party.

5. Charitable Donations and Contributions

5.1 Charitable donations are intended for charitable purposes only. Any donations must be for charitable agencies or organizations with clear documentation or evidence for donation receipt, and shall be in compliance with the regulations as specified by the Company.

5.2 Sponsorships are different from charitable donations because they function as a public relations channel for the business operations of the Company and its subsidiaries.

5.3 The directors, executives, and employees of the Company and its subsidiaries shall exercise precautions to ensure that charitable donations and sponsorships do not conceal bribery and must be subject to transparent consideration procedures in accordance with the relevant laws and regulations. A letter of request providing notification of the objectives of charitable donations and sponsorships, together with supporting documents, shall be submitted to the authorized person at all levels for approval.

6. Complaints

6.1 Complaints and whistleblowing are the duty of employees at all levels of the Company and its subsidiaries and can be made in an anonymous manner through the following methods and channels:

1) By mail

Contact :	Company Secretary
Address :	ASEFA Public Company Limited
	5 Moo 1 Rama II Rd., Khok-Krabue,
	Mueang Samutsakhon, Samutsakhon 74000

2) By E-mail

Contact :	Company Secretary
E-mail address :	asefa@asefa.co.th

3) Company Website

Website :	https://www.asefa.co.th

6.2 The directors, executives, and employees of the Company and its subsidiaries have the duty to provide full cooperation in the corruption investigation.

7. Response to Complaints

Administrative Office, Secretarial Department, or a person assigned by audit committee to manage, accumulate, screen, examine complaints or traces, clarify primary evidences, and investigate when possibility of facts is found in order to collect evidences and propose the findings to the committee for complaint consideration, and the assigned person shall then make a report or a review proposing the audit committee for decision. In case of violation or misconduct action is found, and the action is done by intention and affected the business of the company significantly, the audit committee shall determine and apply proper measures to correct the situation accordingly.

8. Complainant Protection Measures

Protection of rights of complainants and evidence notifiers shall prevent mistreating action caused by such complaint and information giving from others toward the notifier, the company shall conceal name, address, or any information which may lead to identification of the complainant confidentially, and shall keep the information given by the complainant or the notifier confidentially as well. The company shall implement or allow limited access to

such information only for a responsible person in the complaint investigate (“Related Person”). The raletd person, after having been notified on the situation or related information according to the complaint, shall keep the information confidentially and shall reveal information to others unless it is necessary by order of laws or for investigation only. In case of intention to violate or reveal the information, the company shall implement punishment to those related violators as prescribed in the regulations of the company and/or by laws as the case may be.

9. Communication and Training

9.1 The company shall arrange and provide communication on anti-corruption policy to every unit and level in the company and its subsidiaries through available channels, for example, in personnel training. The company shall regularly communicate and specify forms and types of corruption in order to indicate risk in involving corrupted action and to notify how to file or to indicate traces. The policy or the training must be acknowledged and practiced by all stakeholders, and the training must be included in employee orientation of the company and its subsidiaries.

9.2 In case of the Board of Directors, directors, or employees have questions on this policy or anti-corruption measures, communication or a query shall be delivered or raised to Administrative Office, Secretarial Department for further information.

10. Penalty

Any intention to violate or offend this policy including mistreating, threatening, or unfairly discriminating toward a notifier, a complainant, or any related person, is considered violation to the company’s disciplines and regulations. Any person who commits such violation must be responsible to the action and pay compensation to the company or a person who suffers or is affected by the action as well as civil liability and penal liability or by any related law accordingly.



Attachment 6

AUDIT COMMITTEE REPORT

The Audit Committee is one of the components of the independent committee to perform its duties independently within the scope specified in the audit committee charter of the organization or the requirements of a listed company on the Stock Exchange of Thailand which is the Securities and Exchange Commission. The Stock Exchange of Thailand (SEC) and the Stock Exchange of Thailand (SET) require higher levels of audit, transparency, credibility, and expectation of oversight of financial reporting and financial reporting. The internal control process of financial reporting to third parties and performing the functions of external auditors in the most effective way to reassure shareholders and stakeholders through the supervision of the Audit Committee.

The Audit Committee of ASEFA Public Company Limited consists of 3 independent qualified directors, one of which is knowledgeable and experienced in accountancy, namely Mr. Soracit Phungsuk, as the Chairman of the Audit Committee, Asst.Prof. Prasit Pittayapat and Mr. Thanomsak Chotikaprakai as members of the Audit Committee. During 2022, the Audit Committee of ASEFA Public Company Limited had served its term for a year, with Mr. Pichai Panchan performing duties as the Audit Committee Secretary.

In 2022, the Audit Committee held a total of 5 meetings and regularly reported the summaries to the Company's Board of Directors in every quarter. The attendance of Audit Committee member is as follows:

Mr. Soracit Phungsuk	Chairman of the Audit Committee	attending 4/4 meetings
Asst.Prof. Prasit Pittayapat	Audit Committee	attending 4/4 meetings
Mr. Thanomsak Chotikaprakai	Audit Committee	attending 4/4 meetings

In some meeting, the Audit Committee consulted with the external and internal auditors in conformance with the meeting's agenda, and in every meeting the Audit Committee is able to express their opinions and suggestions freely.

The Audit Committee carried out all its duties within the limitations delegated by the Company's Board of Directors and in accordance with the guidelines of ASEFA Public Company Limited, which are in conformance with the regulations set forth by the Stock Exchange of Thailand. According to the standard policy, the Company must follow the principles of good governance and be aware of how to promptly manage risk that might affect the organization. The details are summarized as follows:

- Push and follow, to develop and upgrade the internal audit of the company, risk Management System and Anti-Corruption
- Give priority and follow up on important issues to ensure that the Company has Good management
- Give importance to the performance of executives and employees in conducting business with integrity. It is transparent, verifiable, and complies with laws, rules, and regulations. Related and encourage the development of new innovations by using information technology systems to detect and prevent fraud.

In 2022, the Audit Committee held a total of 4 meetings and consulted related issues with executives and external and internal auditors. The work duties can be summarized as follows:

1. Review the financial statements.

The Audit Committee thoroughly reviewed the quarterly, annual, and consolidated financial statements of 2022 of ASEFA Public Company Limited and found that the reports of the Company and its subsidiaries were prepared accurately and according to the generally accepted accounting standards. The review on important issues and particular transactions has been clarified by the auditors and director of the auditing institute, so it is guaranteed that the financial statement, including the financial disclosure, is within the laws and financial reporting standards.

Therefore, the Committee has consequently, it has given its approval to the financial statements that the auditor has reviewed and audited, which is an unqualified opinion report but contains observations that fully emphasize important matters. In addition, the Audit Committee held a meeting with the auditor without the presence of the Company's management to discuss independently obtaining audit information that is material in the preparation of financial statements and disclosures by Thai Financial Reporting Standards and that is useful to users of financial statements; The audit includes consideration of the auditor's scope, approach and annual audit plan.

2. Review the efficiency of the internal control.

According to the internal control review of the Company as specified by the internal control sufficiency evaluation conducted by the Management as required by the Securities and Exchange Commission, and according to the auditing results from the internal audit agency and auditors, there are no significant issues or deficiencies that could impact the Company. Moreover, the Management has also improved and moderated the operation as suggested by the Audit Committee, auditors, and internal audit agency, meaning that the Company has paid special attention on internal control and been capable of building confidence, reasonably guaranteeing that the Company has sufficient and efficient internal control.

3. Monitor the internal control operation.

The Audit Committee reviews the Audit Committee Charter as well as the charter of the auditing agency every year to make sure they are updated to the current risks and situations. Moreover, the Committee has considered Appoint internal auditors and reviewed the auditing plan, including the management and risk control as well as corruption. The Committee then provided the notes and proposed them to the Board in order for the Company to follow up on the issues by urging the Management to improve its operation according to what the internal auditor suggested.

4. Review the process in line with the law related to securities and stock exchange and regulations of the Stock Exchange as well as related laws relevant to the Company's business operation.

The Audit Committee has consistently reviewed the Company's business operation in order to guarantee that the Company has followed the laws related to securities and stock exchange, regulations of the Stock Exchange of Thailand, and laws related to the Company's business operation as a result, the Committee expressed its opinion that the Company has sufficiently followed the laws and regulations as mentioned above. Furthermore, the Committee has not received any reports from the auditors, nor complaints from the third party, nor any disclosure from the Management that could compromise the Company's integrity in following the laws. This means that the Management has also been regularly informed of the details of the Securities and Exchange Act and related laws and reports

5. Review the related transactions and the potential conflict of interest in line with the laws and regulations of the Stock Exchange.

The Audit Committee considered the financial transaction reporting and the disclosure of related transaction in the notes of the quarterly and annual financial statement. The Committee has independently expressed its opinion on the transactions related to the obtained-and-distributed assets of the Company that were used as investment in important projects of the Company and its subsidiaries.

6. Nominate an independent entity as the Company’s auditor.

The Audit Committee annually nominate candidates to be the Company’s auditor to the Board of Directors, who then proposes these nominees to the B.E.2565 (2022) Annual General Meeting for appointment and the AGM unanimously approved of the selection of ANS Audit Co., Ltd., to be the B.E.2565 (2022) Auditor for the Company and subsidiaries.

In consideration of appointing financial auditors, candidates are scrutinized for their qualifications, including their knowledge, capabilities, business auditing experience, proposed auditing guidelines, independence per accounting ethics of the Federation of Accounting Professions and requirements of the Office of the Securities Exchange Committee and the Stock Exchange of Thailand, and appropriate auditing fees.

7. Disclose the Audit Committee Report in Annual Registration Statement/ Annual Report 2022 (Form 56-1 One Report)

The Audit Committee has prepared the report correctly and sufficiently. Which was disclosed in Annual Registration Statement/ Annual Report 2022 (Form 56-1 One Report)

8. Other necessary tasks assigned by the Board of Directors with the Audit Committee's approval.

The Audit Committee has evaluated and agreed that the Company prepared and disclosed the information in the financial statement with reliability and congruity. The efficient internal control system is likely to improve the Company towards the more sustainable management. The operation of the Audit Committee in 2022 was met with positive collaboration from the Board of Directors, managers, and auditors as well as other related parties, so the Committee would like to express gratitude towards them henceforth.



(Mr. Soracit Phungsuk)
Chairman of the Audit Committee

Executive Committee Report

The Executive Committee of ASEFA Public Company Limited has been appointed according to the resolution of the Board of Directors consisting of a total of 8 directors and executives are Mr. Phaiboon Ungkanakornkul, President of the Executive Committee and there are 7 executive directors, which are
1) Mr. Boontherd Thongsamrit, 2) Ms. Thatsani Chaowachiwakasad, 3) Ms. Padewrada Junda, 4) Mr. Wichai Soontornvutikul, 5) Mr. Pichai Panchan, 6) Mr. Burin Phraemongkol and 7) Mr. Sanya Chindaphan which Ms. Chamamas Promsakul is a Secretary to Board of Management.

In the year 2022, the Executive Committee performed duties as assigned by the Board of Directors. At full capacity in overseeing business operations to achieve the set business goals to build confidence and credibility for investors and stakeholders. In which the Executive Committee held a joint meeting at least once a month, which can be summarized as follows:

1. Consider and present the goals, policies, business plans and annual budgets to the Board of Directors approval by reviewing and improving the operational plan in accordance with the strategy of the organization.

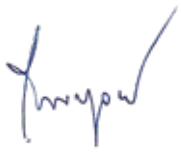
2. Supervise and monitor the Company's business operations to be in accordance with the policy plans and budgets Including assessment Controlling and managing corporate risks and presenting them to the Board of Directors.

3. Consider and approve the normal business operations of the company. Shall be in accordance with the operation power grid which has been approved by the board of directors.

4. Consideration of the operating results of the company's profits and losses Proposal of interim dividend payment or annual dividends for submission to the Board of Directors for approval.

5. Other duties as assigned by the Board of Directors.

The Executive Committee is aware of the duties and responsibilities assigned by the Board of Directors by acting with care, prudence, transparency and fairness according to the principles of good corporate governance and the performance report Opinions on various matters Related to the Board of Directors With due regard to the benefits of the company and shareholders.



Mr. Phaiboon Ungkanakornkul
President of the Executive Committee

Report
of the Board of Directors' Accountability to Financial Report

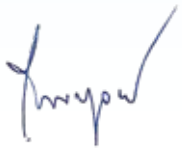
The consolidated financial statements of ASEFA Public Company Limited and its subsidiaries were prepared in accordance with the Securities Exchange Commission under the Securities and Exchange Act B.E. 2535 and Department of Business Development, issued under the Accounting Act B.E. 2543 Section 11 paragraph 3 in accordance with the Federation of Accounting Professions' Thai Financial Reporting Standards.

The Board oversees and reviews corporate governance, code of conduct, internal control system, anti-corruption, as well as risk management to ensure that accounting records are accurate, complete and timely, and that the Company's assets are properly safeguarded against fraud, operational irregularities and other risks. The Board has appointed an Audit Committee consisting of independent directors to provide effective and efficient oversight of the financial statements, internal control system and internal audit. The Audit Committee's views are reported in its report in the Company's Annual Registration Statement/ Annual Report 2022 (Form 56-1 One Report)

The Company's Board of Directors is responsible for the financial report of ASEFA Public Company Limited and its subsidiaries in providing reasonable assurance that the financial report present fairly financial position, financial performance and cash flows. The accounting data is sufficiently and accurately recorded to preserve the Company's assets and prevent fraud and irregularity. The financial report has been prepared accordingly to appropriate accounting policy and consistency practices, and in accordance with Thai Financial Reporting Standards. Significant information has been sufficiently disclosed in notes to financial statements, where the auditor expressed an opinion on the financial statements of ASEFA Public Company Limited and its subsidiaries in the auditor's report.



(Mr. Soracit Phungsuk)
Chairman



(Mr. Phaiboon Ungkanakornkul)
Chairman of the Executive Committee



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