



THE **YEAR**
OF **RESILIENCE**

Form 56-1 One Report
for the year **2021**



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Policy and Overview of Business Operation

Com7 Public Company Limited (“the Company”) has engaged in the retail business of IT products such as desktop computers, portable computers, mobile phones, tablets, and various lifestyle devices. In 1996, the Company started its business as a retailer of IT products in Pantip Plaza, where the founders foresaw an opportunity to grow in the IT business even though less than 10 percent of the Thai population could reach the computer. The founders, therefore, formed the Company on 27 February 2004 to distribute IT products in a wholesale manner to merchants nationwide, which was the Company’s core business at that time, including retailing through the own storefront at Pantip Plaza. Subsequently, the management viewed that IT products’ retail business could grow and had more advantages than wholesale. The Company, thus, focused on the retail of IT products rather than wholesale by increasing the number of retail stores to shopping centers and various department stores.

The Company has 4 types of business models that are the source of income as follows:





1. Retail Business (Retail)

Currently, the Company's branches cover 75 provinces from 77 provinces that operate under the brand of BaNANA, Studio7, BaNANA Mobile, BaNANA Equip, BaNANA Outlet BKK, KingKong Phone, and Brand Shop. The shops are divided into four types, i.e., retail IT products, Apple brand stores, stores that focus on selling mobiles, and other brand shops. The Company's stores have the following characteristics and history.

- (1) Retail IT Products Stores - From the Company's policy in the year 2009, wanting to add retail channels to shopping centers, the Company changed the shop's image selling IT products. At that time, there were about 100 branches, and each shop had a variety of names. Instead, they all changed to use the same name under the name BaNANA, which was the Company's branding easy to remember. Besides, the Company had adjusted its stores' image and atmosphere to ensure that purchasing IT products was "easy and simple" to support consumers who use more IT products. Most of the Company's branches are located in leading department stores and hypermarkets, covering areas in Bangkok, perimeter, and upcountry in various communities, such as Siam Paragon, EmQuartier, Icon Siam, all Center Central department store, the Mall, Fashion Island, Seacon Square, Future Park, Lotus, Big C, and local department stores in various major provinces.



Later in 2018, the Company had the policy to create a shop network (Franchise) under "BaNANA" to support SMEs. It focused on the local market in the secondary-district area that did not have a Company branch. Management system and product delivery to Franchise stores, the Company was a support department for all to drive sales to have continuous and sustainable growth.

In the same year, the Company launched "BaNANA Outlet," the first largest IT landmark in Thailand for discounted products, on an area of more than 1,000 square meters at Seacon Square Department Store. At present, three more branches are being expanded, i.e., Central Village Suvarnabhumi, Fashion Island and Siam Premium Outlets.

In 2021, the Company launched Banana Stand Alone to expand the branch area to reach more customers. This year, 9 branches have been opened, and there is still a plan to expand the number of Banana Stand Alone branches. In addition, it has entered into a consignment contract for IT products in the area of more than 45 branches of Big C to expand its customer base and increase the space in selling products.

- (2) Stores that focus on selling mobiles - The Company foresees the development of communication technology that changes rapidly. As a result, smartphone and tablet products are widely popular. In 2013, the Company had increased the distribution channels of smartphones and tablets under the name "BaNANAMobile" to help customers categorize and recognize its brand. There was also a plan to expand additional branches to various regions continuously.

In 2016, the Company acquired assets of Bangkok Telecom 999 Co., Ltd., a mobile phone accessories and accessories store under the brand "BKK," totaling 44 branches, to add another distribution channel to customers.

In 2018, Banana Group Co., Ltd. (a subsidiary) acquired all ordinary shares of DNA Retail Link Co., Ltd. to expand its business to sell all types of communication tools under the brand "King Kong Phone," totaling 95 branches.

In 2020, the Company acquired the assets of Boonchai Business Hatyai Co Ltd., Boonchai Trading Co., Ltd., Visions IT Co., Ltd. They engaged in selling mobile phones, tablets, and telecommunication equipment, including accessories, such as Boonchai Shop, OPPO Shop, Huawei Shop, VIVO stores, Xiaomi stores, Realme stores, and Samsung stores, totaling 22 branches. Thus, it allowed the Company more channels for sales.

- (3) Apple Brand Stores - Since the 2001 release of the iPod music player to the 2007 and 2010 iPhone and iPad launches, Apple's products have brought significant changes to the computer and IT industry. As a result, the use of smartphones and tablets has been widely popular worldwide until today.

From the continued growth of Apple-branded products, the Company entered into an Authorized Reseller Agreement with Apple South Asia (Thailand) Ltd. (Apple) in 2005. Distributed Apple-branded products under Studio7 and U-Store as an Apple-branded store opened within the university campus to serve as a channel for selling Apple-branded products to pupils and university students. At present, they were 101 branches for Studio7 and 13 branches for U-Store.

- (4) Brand Shops - In addition to operating stores under its brand, the Company also has other brand stores such as Samsung Shop, Oppo Shop, Huawei Shop, Vivo Shop, and Xiaomi Shop. The brand stores are supported by brand owners in both branch expansions and organizing various promotional programs. These shops are beneficial for both the Company and the brand in terms of reliability and increasing distribution channels for different leading brands' smartphones and tablets.





2. Business-to-Business (B2B)

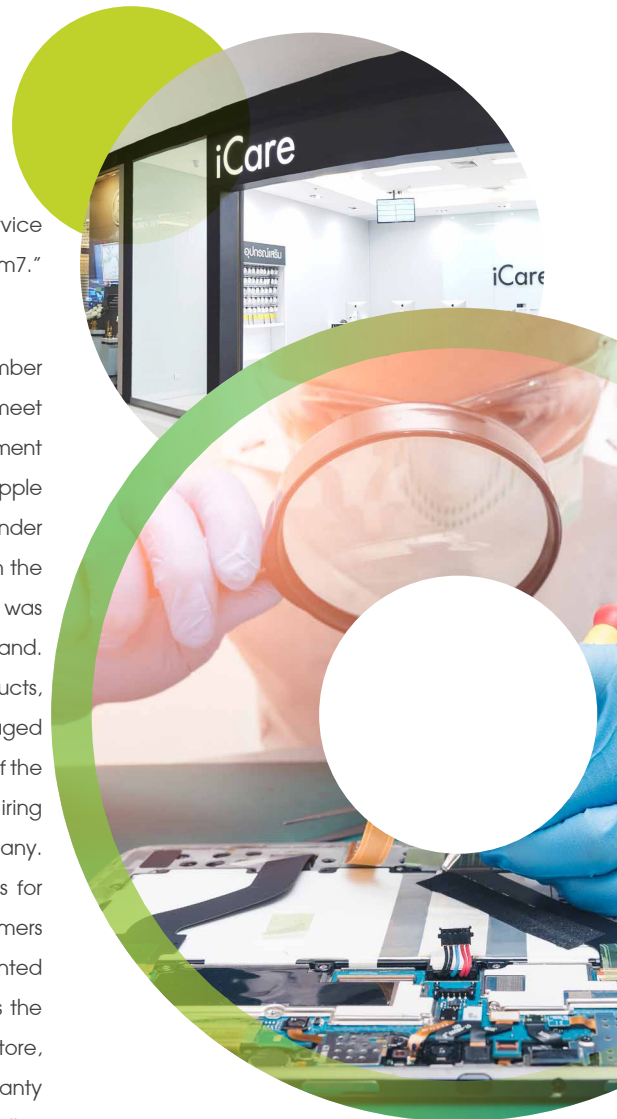
It is selling to corporate customers, including educational institutions. The Company calls this business “Commercial and Education.” It is a direct sale to a general corporation that is a legal entity, including the universities and schools. With the rapid growth of IT products that are more efficient and sophisticated to respond to the development of digital technology, the business and education sectors need to acquire and modernize equipment and technology. The Company sees such demand in all departments, such as small, medium, and large businesses or government organizations, and views an opportunity to sell and business expansion. Therefore, there is a department for this particular business.



3. Service Business (Service)

The Company’s after-sales service can be divided into two aspects: Repair and service center for Apple products in Thailand under “iCare” and the TRUE Shop under “TRUE by Com7.” Both types have the track record as follows.

- (1) Repair and Service Centers for Apple Products- As the Company sees that the number of Apple-certified repair and service centers in Thailand is small and insufficient to meet demand. In 2012, the Company entered into an Apple Authorized Service Provider agreement with Apple South Asia (Thailand) Ltd. It opened a repair center and service for Apple products under “iCare” to provide repair services for Apple-branded products, both under warranty and no warranty. It ensured customers to buy Apple-branded products from the Company. As of December 31, 2021, the Company had 30 iCare branches, which was the operator with the largest number of Apple-certified iCare service centers in Thailand. For the repair service business, iCare provides repair services for Apple-branded products, including iPod, iPhone, iPad, iMac, MacBook, and other Apple-branded products damaged by the manufacturer customer use, both within the warranty period and the expiration of the warranty. For products covered by the warranty period, Apple bears the cost of repairing or replacing the product and providing compensation for service fees to the Company. For products that the warranty is expired, the Company can fix or replace products for customers at the cost of spare parts and directly charge service fees. As a result, customers will be more convenient and receive faster service. The Company has been appointed as an Authorized Service Provider from Apple South Asia (Thailand) Co., Ltd. It allows the Company to provide repair services for Apple-branded products under the “iCare” store, both products under warranty period and warranty expire, and can also extend the warranty period of Apple products by becoming an AppleCare+ (Apple Care Plus) insurance reseller.





- (2) TRUE by Com7 - According to the excellent relationship of management between True Corporation Public Company Limited "TRUE" and Com7 Public Company Limited "Com7", see the mutual benefits from business cooperation. Therefore, the Company has granted the right to manage TRUE Shop (Contract) from True Distribution and Sales Co., Ltd. (TDS), a TRUE subsidiary, as of April 26, 2016, to receive the right to Co-manage the store. The Company sells products and services in the TRUE Shop, which is authorized by TDS under the name TRUE by Com7 to meet customers' needs. It also strengthens additional distribution channels for IT products at locations in Big C, Tesco Lotus, Robinson, and local department stores with a branch area of approximately 6 - 260 square meters, with management rights for a period of 3 years, with the latest contract renewal on August 1, 2019.



4. Online Retail Business (Online)

From the changing consumer behavior according to advanced technology, consumers are increasingly popular to order products online. Therefore, the Company has established an online ordering channel under the name www.bnn.in.th. Doing business online has supported the storefront's main business to provide customers with a more comfortable shopping experience. Initially, it was the only way to buy products through the storefront. Selling products online will help strengthen the Company's retail business.

"www.bnn.in.th" distributes IT products, Apple products, smartphones, tablets, notebooks, gadgets, computer accessories, and smart watches. There are many modern lifestyle accessories with more than 7,000 products, 40 categories, and 100 world-class brands, such as Apple, Asus, Acer, Toshiba, Dell, Samsung, Lenovo, Microsoft, HP, JBL, and many more from leading national distributors.



Vision, Mission and Business Goals of the Company

VISION

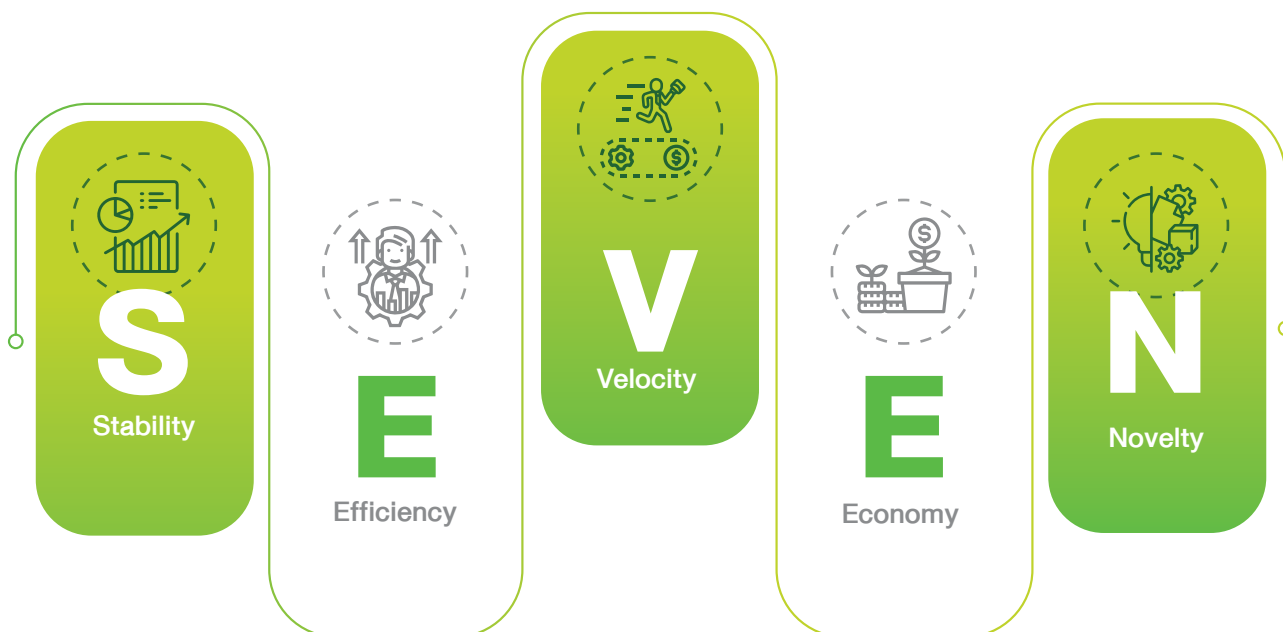
The Company is committed to being a leader in distributing modern technology products with excellent service by management from an efficient team



MISSION

- Improve the quality, efficiency, and service strategies of each business to be able to compete effectively. Develop the management and service system by modern technology to meet the customers' needs and make the customers the most satisfied.
- Give importance to the development of employees and personnel's quality and efficiency to have potential and responsibility for work and customers.
- Focus on expanding service channels that reach customers in all areas of the country by collaborating with business partners in enhancing all-around performance and create success together.
- Seek new business opportunities for the future and create appropriate added value.

BUSINESS PHILOSOPHY



CORPORATE CULTURE



The Company's Business Goals

The goal of the Company's business operations in the next five years is to maintain leadership in the retail business of IT products. There is also a plan to expand the storefront according to new product categories, such as



Gaming stores



IOT stores



accessories stores, and modern fashion

to grow the business channel having more variety, including expanding distribution channels for Apple products, especially the education market for both students and learners. Promote sales by allowing students to pay in installments, increasing access to the product. It is a strategy for consistently making good profits and creating a difference in the market.

In 2021, although Thailand has been facing the COVID-19 situation, the Company has been positively affected. Due to the behavior of working from home (Work From Home), these causes lead to the need to buy more IT products, especially the type of computer equipment suitable for use within the residence. The Company realizes the importance of this part, therefore, adding new products into the port to suit the consumers' needs.

An overview of Apple brand products and smartphones, the Company believes that it can continue to grow. In addition, Thailand still has a large enough market to grow, and the Company has a target to increase revenues and revenue from SIM sales. Besides, the Company plans to improve the existing storefront to be more modern, attractive, and have more variety of products.

In the part of the franchise, there is still a plan to expand the franchise business continuously, especially in areas where shopping malls can't reach coupled with online market penetration. Using Omni Channel, customers can access products and services from various channels. When a customer walks into the store, employees sell products that are unavailable in-store by selling through an online website. Moreover, websites are developed to create a good experience for customers, and better meet the customers' needs.

For TRUE, in addition to the Company's operations in the TRUE by Com7 store, this year also expands business with TRUE by being a distributor of IT products that are not mobile phones within TRUE stores, other than TRUE by Com7 stores. Therefore, it is to expand more distribution channels.



Significant Changes and Developments

Year	Significant Developments
2004	<ul style="list-style-type: none"> Registration of Com7 Company International Company Limited (former name of the Company) on 27 February 2004 with one million baht's registered capital.
2005	<ul style="list-style-type: none"> The Company entered into an agreement with Authorized Reseller with Apple South Asia (Thailand) Ltd. to distribute Apple brand products under the iStudio, iBeat, and U-Store by Comseven.
2008	<ul style="list-style-type: none"> In April 2008, the Company increased its registered and paid-up capital of 1 million baht to 20 million baht to use as the Company's working capital.
2009	<ul style="list-style-type: none"> In January 2009, the Company increased its registered and paid-up capital of 20 million baht to 100 million baht to use as the Company's working capital. The Company had 100 branches and had changed the image and atmosphere (Rebranding) of the stores to be modern to accommodate consumers of all ages, and changed the names of all the Company's stores to "BaNANA IT" stores.
2010	<ul style="list-style-type: none"> In December 2010, the Company increased its registered and paid-up capital of 100 million Baht to 225 million Baht to use as the Company's working capital.
2011	<ul style="list-style-type: none"> The Company had 200 branches.
2013	<ul style="list-style-type: none"> In May 2013, the Company increased distribution channels for smartphones and tablets, especially under the store name "BaNANAMobile," and expand additional branches in Chiang Mai and nearby provinces in the north. In December 2013, the Company increased business channels by opening "Samsung Shop" stores.
2014	<ul style="list-style-type: none"> On 19 March 2014, the Company registered the establishment of a subsidiary named Mango Shopping Co., Ltd. ("Mango Co., Ltd."), with an initial registered capital of 20 million baht at a par value of 100 baht per share. The Objective was to distribute IT products, mobile phones, and tablets, which target customers were community groups in upcountry. The Company held the shares of Mango in the proportion of 76 percent of the registered and paid-up capital. The Extraordinary General Meeting of Shareholders No. 4/2014, held on 20 November 2014, resolved as follows: <ol style="list-style-type: none"> (1) Approved the transformation into a public company and changing the par value of 100 baht per share to 0.25 baht per share. (2) Approved the increase of the registered capital of another 75 million baht, divided into 300 million ordinary shares at a par value of 0.25 baht per share, from the existing registered capital of 225 million baht to 300 million baht, by approving the allocation of the new ordinary shares to offer an Initial Public Offering (IPO). (3) On 9 December 2014, the Company transformed from a limited company to a public company and changed the Company name from Com7 International Co., Ltd. to Com7 Public Company Limited.
2015	<ul style="list-style-type: none"> The Company made the initial public offering (IPO), which was open for subscription between 31 July 2015 and 3 - 4 August 2015 at the offering price of 3.35 baht per share, the total amount of 1,005,000,000 baht, and the Stock Exchange of Thailand announced the listing of the Company's securities on 10 August 2015. The Company's shares commenced trading on 10 August 2015 as the first day. On 1 December 2015, the Company acquired total shares (Mango Shopping Co., Ltd., currently renamed to Banana Group Company Limited) from Mr. Songtham Boonyasap, totaling 47,999 shares, in the amount of 6,000,000 baht. The Company, therefore, held the shares of Banana Group Company Limited of 199,998 shares, equivalent to 99.99%, according to the resolution of the Board of Directors Meeting No. 10/2015 on 10 November 2015. The Board of Directors' Meeting No. 11/2015, held on 22 December 2015, resolved to invest in Hobby Plus Company Limited by acquiring 3,500 shares at 10,000,000 baht, representing 12.5 percent of the registered capital of Hobby Plus, which operated the business of selling toys and souvenirs in various events. The Company recognized that this business was less competition and becoming increasingly popular, which would gain this investment return. In 2015, the Company expanded the Apple repair center branch operating under the name, "iCare" whereby there were 20 branches as of 31 December 2015. In 2015, the Company established the BaNANA Business department to sell IT products, software, install and maintain systems for small and medium enterprises (SME) or government agencies.

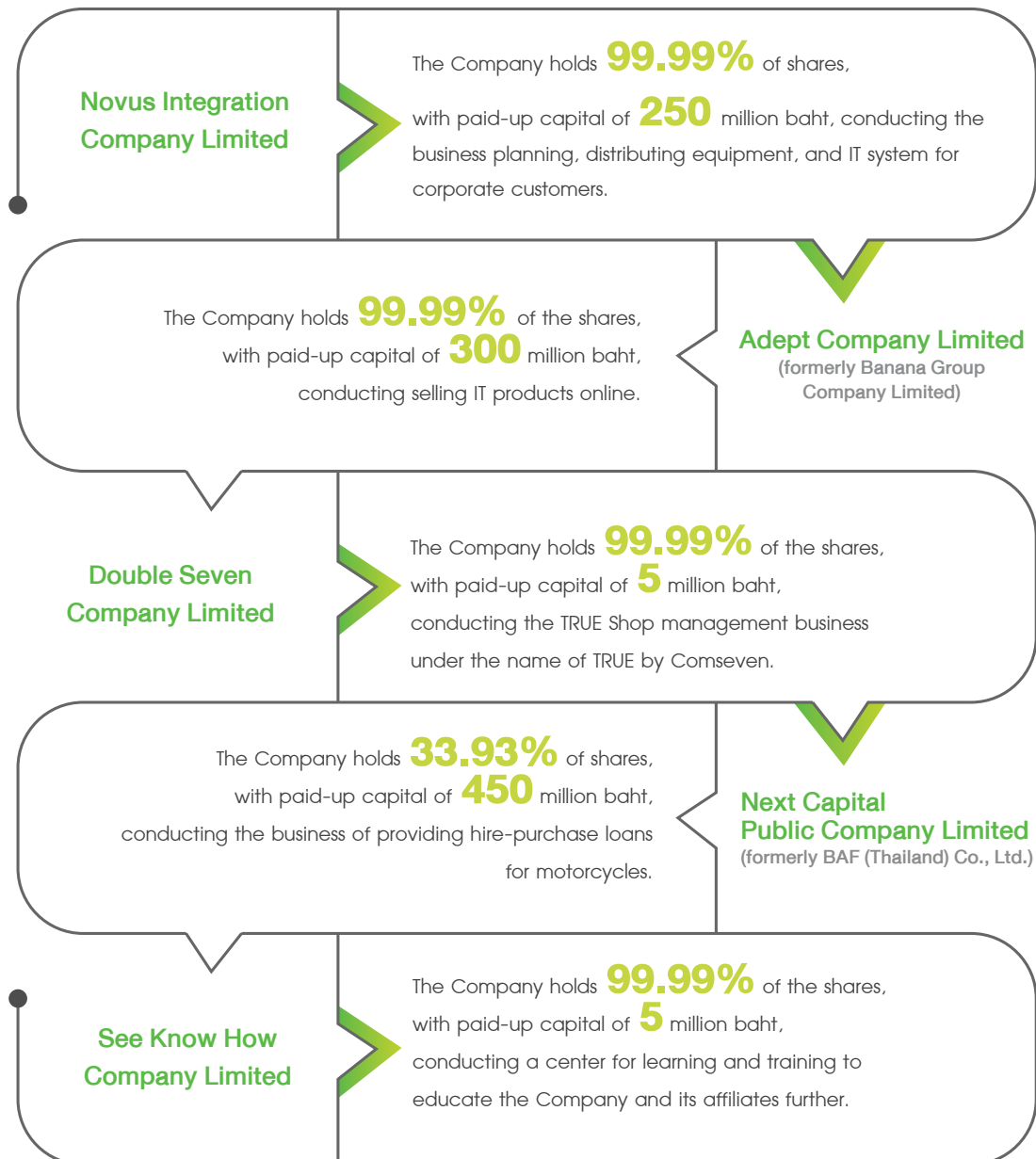
ปี	พัฒนาการที่สำคัญ
2016	<ul style="list-style-type: none"> The Board of Directors' Meeting No. 1/2016, held on 24 February 2016, resolved to invest in I-TECH Software Company Limited (ITEC Software) by acquiring shares from Mr. Nithit Satraraluk, in the amount of 1,020 shares, or 51 percent of the registered capital of ITEC Software, totaling 8,000,000 baht. In the past, the Company must employ ITEC Software for such programming and provide support to BaNANA Business Dept. in the care of IT, software, installation, and systems. The Board of Directors Meeting No. 2/2016, held on 8 March 2016, resolved to join the venture with Mr. Thanawat Sae Jiang by establishing a new company called "Banana Sure Company Limited" (Banana Sure). The Company held 306,000 shares, representing 51 percent of the registered capital of Banana Sure, totaling 30,600,000 baht. Banana Sure conducted the business as an importer and distributor of used computers because it deemed that this was another business, having many customers and expanding the customer base from the middle level, which was in line with the policy of being a leader in IT products. On 26 April 2016, the Company entered into a business cooperation agreement to manage TRUE Shop (contract) with True Distribution and Sales Company Limited (TDS) to receive the right to co-manage TRUE Shop 166 shops for three years. The Board of Directors Meeting No. 4/2016, held on 11 May 2016, resolved to approve the Company to invest in the proportion of Hobbies Plus Company Limited in the amount of 875 shares, amounting to 2,500,000 baht or equivalent to the total shareholdings after capital increased at 12.5 percent. It was used as working capital in the business and to open the store Robot model and equipment. Besides, the Company provided loans to ITEC Software Co., Ltd. in the amount of 2,040,000 baht, the interest rate of 3%, paid on demand, but not over one year from the date of withdrawal of such loan to use as working capital and increased liquidity in the business operations of ITEC Software. The Board of Directors Meeting No. 5/2016, held on 26 May 2016, resolved to establish a subsidiary under Double Seven Co., Ltd. (Double Seven). It supported the management of the TRUEShop with registered capital of 5,000,000 baht, divided into 50,000 shares at a par value of 100 baht per share, representing 100% of shareholdings. In 2016, the Company changed its name from iStudio iBeat and U-Store by Comseven to use under the name "Studio7". The Board of Directors Meeting No. 7/2016, held on 4 November 2016, resolved to purchase Banana Sure Company Limited's shares from Mr. Thanawat Sae Jiang in the amount of 294,000 shares at a par value of 100 baht or equivalent to 49% of the registered capital of Banana Sure. The Company considered that if the shares had been sold to others, it might have trouble with management. Therefore, the Company bought shares to manage more efficiently. There was also a resolution to sell the Company shares of Hobby Plus Co., Ltd in the total of 4,375 shares, representing 12.5% of the registered capital, a total amount of 12,500,000 baht, equaled to the value of the investment because the past income of Hobby Plus was not as agreed upon when investing. The Board of Directors Meeting No. 8/2016, held on 30 November 2016, resolved to approve the Company to acquire Bangkok Telecom 999 Company Limited (Bangkok Company Limited) by receiving the transfer of assets used in business operations in the amount of 184,000,000 baht.
2017	<ul style="list-style-type: none"> The Board of Directors Meeting No. 4/2017, held on 25 May 2017, resolved to approve the Company to sign the Shares Purchase Agreement of BAF Co., Ltd., which was entered into a transaction together with Synnex (Thailand) Public Co., Ltd and other investors. The Company purchased ordinary shares totaling 120,660 shares of 268,206,600 baht, was equivalent to 30% of the total registered capital of BAF Co., Ltd. BAF Co., Ltd operated the motorcycle hire purchase business. The Company foresaw that investing in BAF would open the opportunity to expand into hire-purchase business and supported the Company's primary business in the future. In November 2017, the Company cooperated with Kasikorn Bank launching a franchise business bananastore.com (within 2017 would be renamed Bananashopping.com). It was an opportunity for SMEs, both medium and small, to be the BaNANA store owner in the sub-district group that did not have a branch store. The Company would support both products and management, including sales promotion and other services.

ปี	พัฒนาการที่สำคัญ
2018	<ul style="list-style-type: none"> On 30 January 2018, the Company sold 10,055 existing shares in Next Capital Co., Ltd. (formerly BAF Co., Ltd.) to Mr. Praphan Polchanawasit, representing 2.50% of the total registered capital of BAF. The Company currently holds Next Capital Co., Ltd, representing 27.50% of the total shares. On 18 May 2018, the Company disposed of Novus Integration Company Limited's ordinary shares to Mr. Ekkarat Panjavinin, totaling 30,000 shares, and sold to Mr. Suradech Sroirungruang in the amount of 14,999 shares. Therefore, the Company currently holds Novus Integration Company Limited shares in the amount of 69.99% of the total shares. On 26 July 2018, the Company entered into a memorandum of agreement to purchase assets, i.e., a shop selling mobile phones, tablets, and telecommunication equipment, including the leasehold rights from Radar Telecom Company Limited in the amount of 14 stores, totaling 20,700,000 baht to expand the business of selling all types of communication tools. On 25 December 2018, Banana Group Co., Ltd acquired 1,500,000 ordinary shares of DNA Retail Links Co., Ltd., representing 99.99% of the registered capital, at 210,000,000 baht.
2019	<ul style="list-style-type: none"> On 26 March 2019, Com7 Public Company Limited acquired 3,750,037 shares of BAF (Thailand) Company Limited from other shareholders at 32.6664 baht per share, totaling 122,500,209 baht. Com7 Public Company Limited currently holds 40.00% of the shares of BAF (Thailand) Company Limited. At the end of 2019, BAF (Thailand) Co., Ltd. changed the company name to Next Capital Co., Ltd. On 18 December 2019, Banana Group Co., Ltd. acquired one share of Prime Solution & Service Co., Ltd. to expand its business in sales and installing all kinds of computer systems and software. There was a plan to invest more by acquiring shares from the said company's capital increase in 2020. On 20 December 2019, Com7 Public Company Limited bought all 30,000 shares of Mr. Ekkarat Panjavinin in Novus Integration Co., Ltd due to Mr. Ekkarat Panjavinin had resigned from the Board of Directors of Novus Integration Co., Ltd. The Company also bought one share from Mr. Suradej Sroirungruang so that Com7 Public Company Limited holds shares in Novus, represents 90% of the total shares.
2020	<ul style="list-style-type: none"> On 7 January 2020, Novus Integration Co., Ltd. had registered the company's objective by adding being a business consultant to provide advice on information technology, construction systems, planning, design, construction of buildings, and installation of structures and related equipment, including utilities. It was to be consistent and comprehensive with the current business operations of the company. On 13 January 2020, Banana Group Co., Ltd. acquired 192,000 shares of Prime Solution & Service Co., Ltd. After purchasing the capital increase shares, it had a 48.97% shareholding. It was to expand business in selling and installing all kinds of computer systems and programs. On 28 January 2020, it was resolved to establish a subsidiary company, See Know How Company Limited, to be the center of learning and training for employees of the Company and its affiliates, with a registered capital of 5,000,000 baht, divided into 50,000 shares with a par value of 100 baht per share, representing 99.99%. Banana Group Company Limited increased the registered capital of the company three times as follows: <ul style="list-style-type: none"> - The 1st time, on 31 January 2020, increased the capital of 125 million baht. - The 2nd time, on 25 June 2020, increased the capital of 65 million baht. - The 3rd time, on 15 July Limited. On 8 May 2020, Com7 Public Company Limited registered to increase the Company's objectives four additional items regarding information center services, communication, rental, hire-purchase, training, seminars, IT consultants, construction, design, and installation of IT systems. On 11 August 2020, Ms. Vareeporn Udomkunnatum resigned the Company's director and the Audit Committee of Com7 Public Company Limited due to additional missions, fearing that she could not perform the duties fully, and effective from 31 August 2020.

ปี	พัฒนาการที่สำคัญ
2020 (Continue)	<ul style="list-style-type: none"> On 17 September 2020, Com7 Public Company Limited disposed of 1,020 shares held by the Company in ITEC Software Co., Ltd, representing 51% of the registered capital of ITEC Software. After the sale of the said shares, ITEC Software would not be a subsidiary of the Company. However, the Company continued to use the services of ITEC Software Co., Ltd. On October 1, 2020, Com7 Public Company Limited entered into an asset purchase agreement with IBIZ Plus Network Company Limited, conducting the business of selling mobile phones, tablets, and telecommunication equipment, including accessories, i.e., IBIZ Shop, OPPO, Huawei, VIVO, WIKO, Realme, and Samsung, totaling 51 branches to increase the Company's product distribution channels. On 4 November 2020, Com7 Public Company Limited received an allocation of newly issued ordinary shares of Next Capital Public Company Limited in an initial public offering of the newly issued ordinary shares. After offering shares to the public, Com7's shareholding in Next Capital PCL would be 305,375,740 shares, representing 33.93% of the total shares. On 12 November 2020, Com7 Public Company Limited approved Dr. Somboon Aueatchasai to assume the Independent Director and Audit Committee position instead of Ms. Vareeporn Udomkunnatum, effective from 12 November 2020. On 2 December 2020, Com7 Public Company Limited agreed to purchase the assets of Boonchai Business Hatyai Co Ltd., Boonchai Trading Co., Ltd., Visions IT Co., Ltd. They engaged in selling mobile phones, tablets, telecommunication equipment, including accessories, and other services, i.e., True Partners, Boonchai Shop, OPPO Shop, Huawei Shop, VIVO Shop, Realme Shop, and PPP Shop totaling 22 branches. It increased the Company's product distribution channels.
2021	<ul style="list-style-type: none"> On 11 May 2021, Com7 Public Company Limited registered the Company's Articles of Association amendment to be consistent with current technology about the use of electronic media in organizing various meetings. On 7 June 2021, the Company's objectives were added to the registration for purchasing non-performing debts for management and following up on debt collection for four companies: 1. Banana Group Company Limited 2. Novus Integration Co., Ltd. 3. Thunder FinFin Co., Ltd. 4. Double Seven Co., Ltd. On 14 June 2021, a subsidiary was established in the name of Lorthong Company Limited to operate a motorcycle distribution business with a registered capital of 50,000,000 baht, divided into 500,000 shares with a par value of 100 baht per share, with Double Seven Company Limited holding 75% of the shares. On 14 July 2021, Novus Integration Company Limited registered an increase of the Company's capital by 235,000,000 baht from the existing registered capital of 15 million baht, increased to 250,000,000 baht and acquired shares of Lorthong Company Limited, that Double Seven Company Limited, Ltd., holding 374,999 shares, representing 75%. On 14 July 2021, Novus Integration Company Limited acquired 192,001 shares of Prime Solution & Service Company Limited that Banana Group Company Limited held, accounting for 48.97% shareholding. On 16 September 2021, Banana Group Company Limited registered additional objectives related to selling or being a distributor of various IT products, including weighing scales, vacuum cleaners, air purifiers, and peripheral equipment. On 22 September 2021, Banana Group Company Limited registered the new company name change to "Adept Company Limited" to be in line with the business of purchasing non-performing debts to manage. On 28 October 2021, Novus Integration Company Limited bought back all the shares of Lorthong Company Limited from all shareholders. It was due to being unable to operate the business as desired and prepared to reduce the Company's capital. Novus Integration Company Limited, therefore, held 99.99% shares. On 12 November 2021, Lorthong Company Limited had a special resolution from the shareholders to reduce the Company's capital from the existing registered capital of 50,000,000 baht, reduced to 12,500,000 baht. The special resolution was registered to reduce the capital on the same day and announced the capital reduction in the local newspaper in case of objection by creditors. At the end of November, Com7 Public Company Limited entered into lease agreements for certain areas in the Index Living Mall in several branches to sell electrical appliances and other equipment. On 8 December 2021, Adept Company Limited registered an increase in the Company's capital by 450,000,000 baht from the existing registered capital of 300,000 baht, increased to 750,000,000 baht. On 13 December 2021, Lorthong Company Limited registered a reduction of the Company's capital in the amount of 37,500,000 baht from the existing registered capital of 50,000,000 baht, reduced to 12,500,000 baht. On 14 December 2021, Thunder FinFin Company Limited registered an increase in the Company's capital by 450,000,000 baht from the existing registered capital of 150,000,000 baht, increased to 600,000,000 baht.

Shareholding Structure of the Group

At present, Com7 Public Company Limited holds shares in 5 companies as follows:



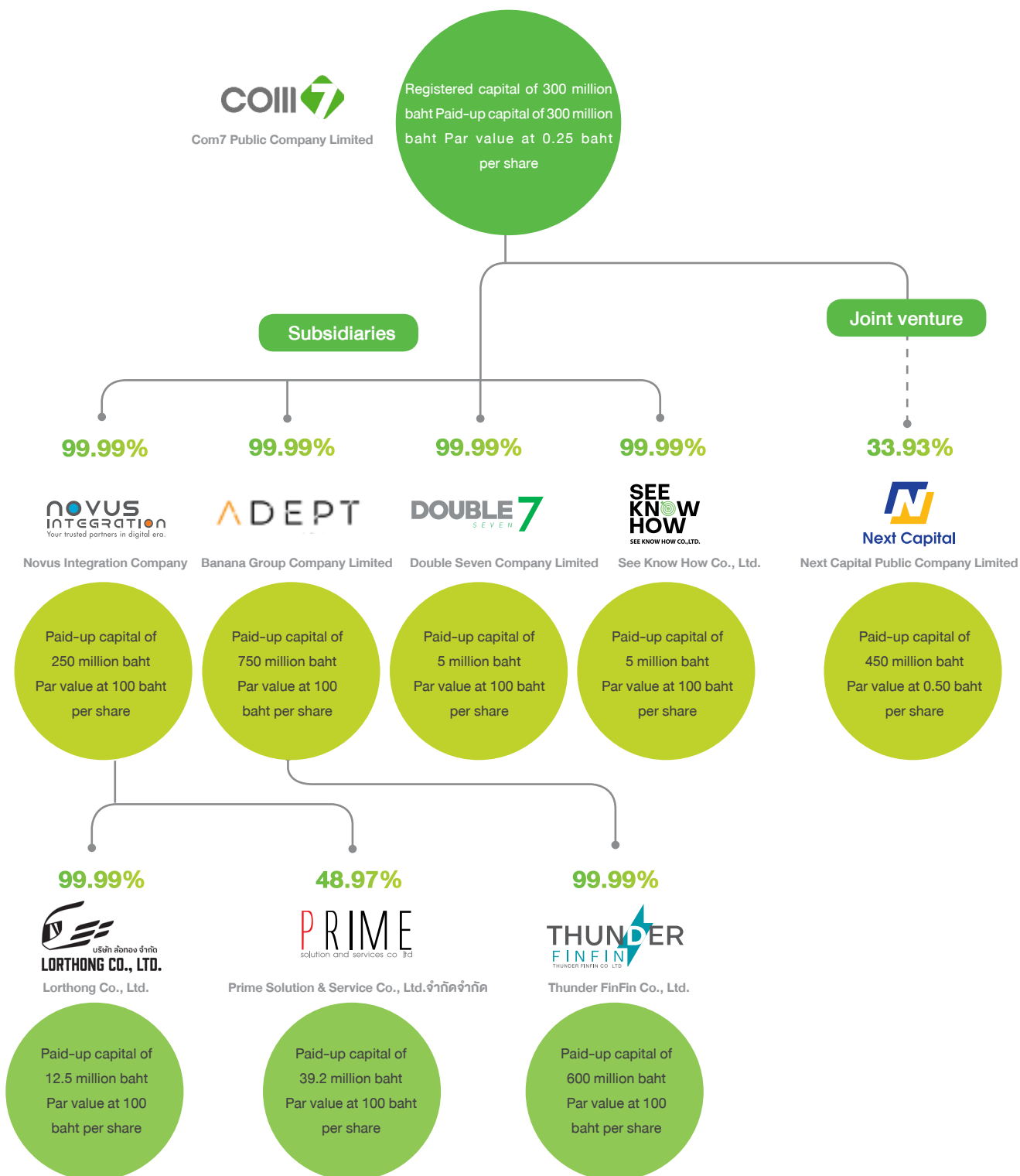
In addition, Banana Group Company Limited, a subsidiary of the Company, has acquired as a shareholder of 3 companies as follows:

1. Thunder FinFin Co., Ltd. (formerly DNA Retail-Link Company Limited) - Banana Group Co., Ltd. holds 99.99% of the shares, with paid-up capital of 600 million baht, conducting hire purchase and distribution of all types of telecommunication equipment products.
2. Prime Solution & Service Co., Ltd. - Novus Integration Company Limited holds 48.97% of shares, with paid-up capital of 39,200,000 baht, conducting sales, installing computer systems and programs of all kinds.
3. Lorthong Company Limited - Novus Integration Company Limited holds 99.99% of shares with a paid-up capital of 12,500,000 baht. It is currently in the process of considering a suitable business plan.

Relationship with Business Group of Major Shareholders

- None -

Shareholding Structure of the Company Group



Nature of Business

The Company and its subsidiaries currently operate the businesses as follows:



- 1) **Com7 Public Company Limited (the “Company”)** engages in selling IT products, providing repair services, and expanding franchise businesses for investors to join as a partner with the Company.



- 2) **Adept Company Limited (Adept)** engages as a distributor Realme brand for wholesale also invests Thunder FinFin Company Limited (formerly Banana Group Company Limited).



- 3) **Novus Integration Company Limited (“Novus”)** engages in business planning, distributing IT equipment, and corporate customers’ systems. Moreover, Invests in Prime Solution & Service Company Limited and Lorthong Company Limited.



- 4) **See Know How Company Limited (See Know How)** engages as a center for learning and training to educate the Company’s employees and its affiliates.



- 5) **Double Seven Company Limited (Double Seven)** engages in managing TRUE by Com7 stores.



- 6) **Prime Solution & Service Company Limited (Prime Solution & Service)** engages in system implementation, program development, and system maintenance, including selling a complete range of technological products.



- 7) **Thunder FinFin Company Limited (Thunder FinFin)** engages in managing OPPO brand branches, retail and wholesale OPPO merchants, and leasing of IT products for university students.



- 8) **Lorthong Company Limited**, It is currently in the process of considering a suitable business plan.

1. Com7 Public Company Limited

Products and Services

Com7 Public Company Limited (the Company) engages in selling IT products comprising of the following products.

	Apple products and Apple Accessories
	Smartphone, Smartphone's accessories, Case, and Film
	Tablet and Tablet's accessories
	Notebook
	Desktop PC and Monitor
	Computer Hardware and DIY, Mouse and Keyboard, Network Equipment, and Computer's Accessories
	Gaming Gears
	Storage and Memory Card
	Headphone , Speaker, and Microphone
	Computer Software
	Cable and Adapter
	Camera and Video
	Lifestyle & Gadgets
	Sport tech and Smart watch, Health and Fitness
	Smart home and Security
	Home and Small Appliance

Channels of Distribution and Services

The main distribution channels of the Company are:

- 1) BaNANA store distributes IT products, i.e., Laptop computer, Desktop computer, Mobile phones, tablets, video game consoles, IOT devices, and related accessories.
- 2) Studio7 store distributes all types of Apple products and related accessories.
- 3) Shop BaNANA Mobile, BKK, King Kong Phone distribute mobile phones and mobile phone accessories. Some stores sell branded mobile phones, including Samsung, Oppo, Huawei, Vivo, and Xiaomi.
- 4) iCare Shop is a repair and service center for Apple-branded products.
- 5) Shot Pro shop distributes camera products and accessories related to cameras.
- 6) Bb Shop (Beyond D-BOX) distributes IOT products, Smart watches, video games, gadgets, and related accessories.
- 7) B-Play store distributes Gadgets products and accessories.
- 8) Bb-Move shop distributes electric bicycles (Scooters) and their accessories.
- 9) Franchise store under the "BaNANA" distributes mobile phones, laptop computers, and related accessories.
- 10) BaNANA Outlet store distributes discounted products, such as display products, outdated products, discounted products, and clearance items.
- 11) BaNANA E-Quip Shop distributes gaming products, computer accessories, and related accessories.
- 12) Online store through the website "www.bnn.in.th".

In 2019 - 2021, the Company and its subsidiaries had 787 branches, 911 branches, and 1,000 branches, respectively.

As of December 31, 2021, the Company had 854 branches. The details of the branches are shown in the following table.

Distribution Channels	Number of branches	Product Type and Service	Location
1. Store selling computers, video game console, and related accessories	359		
BaNANA <ul style="list-style-type: none"> Store selling computers, video game console, and related accessories All storefronts are same styles and standards as well as operate under the name "BaNANA." Product placement is by type sold, and stock is sufficient in providing services to customers. Area size is 50 - 500 sq. m. 	315	Main Products <ul style="list-style-type: none"> Notebook Desktop Computer Mobile Phone Tablet Other Products <ul style="list-style-type: none"> Related Accessories 	Leading department stores and IT centers, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 108 branches Central 31 branches Eastern 39 branches Northern 20 branches North East 46 branches Southern 51 branches Western 20 branches
BaNANA Outlet <ul style="list-style-type: none"> Distribute outdated products, display products, discounted products, and clearance items. Area is approximately 500-1,000 sq. m. 	4	<ul style="list-style-type: none"> Outdated products Display products Clearance items 	Leading department store, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 4 branches
BaNANA E-Quip <ul style="list-style-type: none"> Distribute IT products, i.e., Notebook, Desktop computer, and related accessories. There are the same storefront styles and standards in every branch. Area size is between 130 - 150 sq. m. 	7	IT products, i.e., Notebook computers for gaming, Desktop computer, and related accessories for gaming	Leading department store and supermarkets, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 4 branches Central 1 branch Eastern 1 branch North East 1 branch
Banana Stand Alone <ul style="list-style-type: none"> Store selling computers, video game console, and related accessories All storefronts are same styles and standards as well as operate under the name "BaNANA." Product placement is by type sold, and stock is sufficient in providing services to customers. Area size is 200 - 500 sq. m. 	33	Main Products <ul style="list-style-type: none"> Notebook Desktop Computer Mobile Phone Tablet IOT / Gadget Home Appliance & Small Appliance Other Products <ul style="list-style-type: none"> Related Accessories 	Leading department store and supermarkets, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 6 branches Central 6 branches Eastern 3 branches Northern 3 branches North East 5 branches Southern 8 branches Western 2 branches
2. Apple Branded Stores	114		
Studio7 <ul style="list-style-type: none"> Studio7 has the same store layout and product placement in all branches, defined by Apple South Asia (Thailand) Ltd., operated under the store name "Studio7". Area size is 100 - 300 sq. m. 	101	Apple Products, i.e., <ul style="list-style-type: none"> iPod iPhone iPad Mac Apple Watch Accessories used with Apple products 	Leading department store, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 27 branches Central 12 branches Eastern 14 branches Northern 8 branches North East 17 branches Southern 15 branches Western 8 branches

Distribution Channels	Number of branches	Product Type and Service	Location
U-Store (Formerly, U-Store by Comseven) <ul style="list-style-type: none"> It is a store selling Apple products with the same style, design, and standards in all branches, designated by Apple South Asia (Thailand) Ltd. It operates under the name of "Studio7", located at leading universities. Area size is between 30 - 50 sq. m. 	13	Apple Products, i.e., <ul style="list-style-type: none"> iPod iPhone iPad Mac Apple Watch Accessories used with Apple products 	Leading universities, divided by region as follows: <ul style="list-style-type: none"> Bangkok 9 branches Northern 2 branches North East 1 branch Western 1 branch
3. Mobile Phone and Accessories Stores			
BaNANA Mobile <ul style="list-style-type: none"> Sample products are placed for customers to try out. There are accessories available for mobile phones and tablets so that customers can shop with their devices. There are the same storefront styles and standards in every branch. It operates under the name of "BaNANA Mobile." Area size is between 50 - 100 sq. m. 	20	Mobile phones, tablets, and related accessories	Leading department stores and IT centers, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 10 branches Eastern 5 branches North East 2 branches Southern 3 branches
Samsung Shop <ul style="list-style-type: none"> Place Samsung products and their accessories. There are the same storefront styles and standards in every branch, defined by Samsung (Thailand). Area size is between 80 - 200 sq. m. 	19	Mobile phone, tablet, and related accessories, with a focus on selling Samsung-branded products	Leading department stores and IT centers, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 7 branches Central 5 branches Eastern 1 branch Northern 1 branch Southern 4 branches Western 1 branch
BKK <ul style="list-style-type: none"> There are the same storefront styles and standards in every branch. It operates under the name of "BKK." Products are organized by type of products sold. There is sufficient stock to provide services to customers. Area size is between 30 - 80 sq. m. 	37	Mobile phones, tablets, and related accessories	Leading department stores and IT centers, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 10 branches Central 1 branch Eastern 4 branches Northern 5 branches North East 10 branches Southern 6 branches Western 1 branches
Kingkong Phone <ul style="list-style-type: none"> There are the same storefront styles and standards in every branch. It operates under the name of "Kingkong Phone." Products are organized by type of products sold. There is sufficient stock to provide services to customers. Area size is between 30 - 80 sq. m. 	83	Mobile phones, tablets, and related accessories	Leading department stores and IT centers, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 19 branches Central 6 branches Eastern 18 branches Northern 7 branches North East 20 branches Southern 10 branches Western 3 branches

Distribution Channels	Number of branches	Product Type and Service	Location
Vivo Shop <ul style="list-style-type: none"> Place Vivo brand products and their accessories Area size is between 30 - 80 sq. m. 	10	Vivo mobile phone products and related accessories	Leading department stores, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 6 branches North East 1 branch Southern 2 branches Northern 1 branch
Huawei Shop <ul style="list-style-type: none"> Place Huawei brand products and various accessories. Area size is between 30 - 80 sq. m. 	13	Huawei mobile phone products and related accessories	Leading department stores, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 6 branches Central 2 branches Eastern 1 branch North East 1 branch Southern 2 branches Western 1 branch
Xiaomi Shop <ul style="list-style-type: none"> Place Xiaomi brand products, accessories, and various IOT products. Area size is between 32 sq. m. 	25	Xiaomi mobile phone products and related accessories	Leading department stores, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 10 branches Northern 2 branches Eastern 5 branches North East 3 branches Southern 5 branches
Realme Shop <ul style="list-style-type: none"> Place Realme brand products, accessories, and various IOT products. Area size is between 15 - 80 sq. m. 	8	Distribute professional camera products with other related accessories.	Leading department stores, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 1 branch Eastern 3 branches Southern 3 branch Western 1 branch
4. Franchise Business, BaNANA Store <ul style="list-style-type: none"> It is a franchise business to partners who want to open BaNANA stores by selling products about smartphones, Apple products, computers, and related IT equipment. 	128	Main Products <ul style="list-style-type: none"> Notebook Desktop Computer Mobile Phone Tablet 	Located in the community both the main district and the secondary district, supermarkets and local malls in the important provinces, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 21 branches Eastern 15 branch Northern 8 branches North East 59 branches Southern 22 branches Western 3 branch

Distribution Channels	Number of branches	Product Type and Service	Location
5. Bb Iia: B-Play <ul style="list-style-type: none"> Distribute IOT products, Gadgets products, and various accessories. There are the same storefront styles and standards in every branch. Area size is between 15 - 30 sq. m. 	7	IOT products, Gadgets products, and various accessories.	Leading department stores and supermarkets, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 3 branches Central 2 branch Eastern 1 branch Southern 1 branch
6. BB-Move <ul style="list-style-type: none"> Distribute products about electric bicycles (Scooter). There are the same storefront styles and standards in every branch. Area size is between 15 - 30 sq. m. 	1	Scooter products and related accessories	Leading department stores, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 1 branch
7. iCare <ul style="list-style-type: none"> Service center for repairing Apple products Have the same storefront style and standard in every branch, defined by Apple South Asia (Thailand) Ltd. Area size is between 70 - 120 sq. m. 	30	Service and repair of Apple products	Leading department stores and IT centers, divided by region as follows: <ul style="list-style-type: none"> Bangkok Metropolitan 14 branches Central 5 branches Eastern 3 branches Northern 2 branches North East 3 branches Southern 1 branch Western 2 branch

BaNANA



Studio7



iCare



BaNANA Mobile



Samsung Shop



BKK



Oppo Shop



Huawei Shop



Vivo Shop



BaNANA Outlet



BaNANA E-Quip



Bb (Beyond D-BOX)



B-Play



Bb Move



KingKong Phone



Franchise



Customers and Prospects

The Company's customers are divided into 4 main groups, i.e., retail customers, wholesale customers, corporate customers, and online customers, website www.bnn.in.th.



1. General Retail Customers

- (1) General customers are retail customers who purchase products through the branch store or the Company's website.
- (2) Student customers purchasing products through Studio7 (formerly known as the U Store) located within the campus area. They can buy products at a discounted price from Apple South Asia (Thailand) Ltd., which has the policy to support students to use Apple products.



2. Corporate Customers

- (1) Private Companies (Corporate)
- (2) Educational institutions, Schools, Universities
- (3) Small and Medium Enterprises (SMEs)



3. Wholesale Customers

- (1) Computer shop customers or general mobile phone stores who buy products for resale
- (2) Computer distribution companies that supply IT equipment to government, state enterprises, and large private organizations



4. Online Customers

Customers who have purchased products on the website, both membership, and non-membership, living in the country and abroad, access to the Internet system using a browser (Browser) and URL www.bnn.in.th

Nowadays, the majority of the customer base comes from retail customers who buy from the store. Besides, customers have a buying behavior that has changed from a storefront to online shopping. The Company recognizes the importance of having a revenue base from such behavior. Therefore, the Company has begun to implement a policy to expand this customer base in a wider variety of channels, both through the Company's URL channel and the more popular Market Place channel. The Company has carried out the selection of products for sale, promotional marketing activities, delivery of goods directly through courier agents, and after-sales service to achieve maximum customer satisfaction.



URL: www.bnn.in.th

Pricing Policy



1. IT Product, Mobile Phone, and Tablet

Selling prices of IT products, Brand products, Apple products, Samsung products, and other leading brands are determined by the Company's partners, which are the same price across the country using all storefront and all branches except some branches that have special promotions at certain times. However, the Company shall adjust the selling price every time according to its partner's price and conditions. If the price has decreased, the Company shall compensate for the difference in the product's worth according to each partner's requirements and period.



2. Other Accessories

In general, the Company has a policy for suppliers to sell on consignment and determine the product price, whereby the Company shall profit from the price difference of the products. For other non-consignment accessories, the Company shall be able to set prices by themselves. The selling price of products depends on the type of product, material, quality, and competitive conditions.



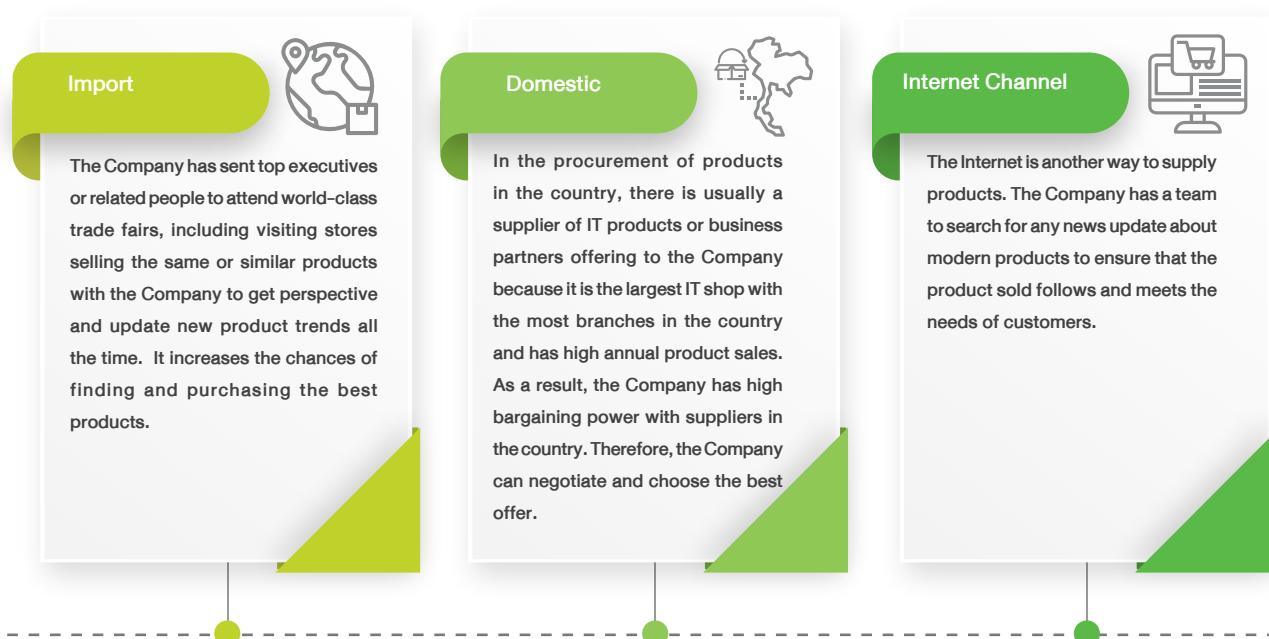
3. Online Products

"www.bnn.in.th" joins to determine the retail price (SRP: Suggested Retail Price) with the distributors or sellers who distribute products on the website under the policy of competitiveness (Price Competitiveness). Compared with the same product or type distributed on competitor channels, both direct and indirect, the members of the site can buy products, make decisions quickly, and receive standard quality products at reasonable prices.

Procurement of Products and Services

1. General IT Products (Excluding Apple Products)

The Company and its subsidiaries have procurement guidelines as follows:



In the procurement of goods, the Company shall consider the quality of the product, such as the features and designs that match the target customers and the selection of partners who are distributors of products for the Company. The Company shall consider the supplier's credibility, minimum order amount, product price structure, transportation, payment terms, delivery time or production period, support and after-sales service, and marketing support, etc.


Besides, the Company has been a leading supplier of IT products for more than 20 years. The Company has a good relationship with both suppliers and distributors, causing the Company to receive information about new products, including the industry's trend, in the comments of partners continuously, which helps trend analysis and determination of the Company strategy.

2. Apple Brand Products and Related Services

The Company has been appointed as an Apple Authorized Reseller to distribute products under the Apple brand. The Company will be able to purchase iPhone, iPod, iPad, Mac, and Apple Watch products from Apple South Asia (Thailand) Co., Ltd. available at the Company's store directly.


At present, the Company has more than 200 partners who are distributors of products for the Company, which has a good relationship and has been trading for a long time. Whereby the main trading partners of the Company are categorized by product type and brand as follows:


Product Categories, Major Manufacturers and Distributors of Each Product Type

Product Type	Product	Brand	Manufacturers and Distributors
1. Laptop 	Laptop	Acer	Acer Computer Co., Ltd.
			VST ECS (Thailand) Co., Ltd.
			SIS Distribution (Thailand) PCL.
			Welltech Group Co., Ltd.
		Apple	Apple South Asia (Thailand) Ltd.
		Asus	SIS Distribution (Thailand) PCL.
			VST ECS (Thailand) Co., Ltd.
			Synnex (Thailand) Co., Ltd.
			WellTech Group Co., Ltd.
		Dell	WellTech Group Co., Ltd.
			VST ECS (Thailand) Co., Ltd.
		HP	Ingram Micro (Thailand) Co., Ltd.
			SIS Distribution (Thailand) PCL.
			VST ECS (Thailand) Co., Ltd.
		Huawei	Huawei Technology Co., Ltd.
			Synnex (Thailand) Co., Ltd.
		Lenovo	Lenovo (Thailand) Ltd.
			Synnex (Thailand) Co., Ltd.
			Ingram Micro (Thailand) Co., Ltd.
			VST ECS (Thailand) Co., Ltd.
			SIS Distribution (Thailand) PCL.
		MSI	Micro-Star International Co., Ltd.
			SVOA PCL.
			WellTech Group Co., Ltd.
		Fujitsu	SIS Distribution (Thailand) PCL.

Product Type	Product	Brand	Manufacturers and Distributors
2. Computer Desktop 	All-in-one	Acer	Acer Computer Co., Ltd.
			WellTech Group Co., Ltd.
			VST ECS (Thailand) Co., Ltd.
			SIS Distribution (Thailand) PCL.
		Asus	SIS Distribution (Thailand) PCL.
			Synnex (Thailand) Co., Ltd.
			VST ECS (Thailand) Co., Ltd.
		Dell	WellTech Group Co., Ltd.
			VST ECS (Thailand) Co., Ltd.
		HP	VST ECS (Thailand) Co., Ltd.
			SIS Distribution (Thailand) PCL.
		Lenovo	Lenovo (Thailand) Ltd.
	CPU	AMD	Estec (Thailand) Co., Ltd.
			Synnex (Thailand) Co., Ltd.
			SVOA PCL.
		INTEL	Synnex (Thailand) Co., Ltd.
			Ingram Micro (Thailand) Co., Ltd.
	Internal Hard Drives	Seagate	Estec (Thailand) Co., Ltd.
			Synnex (Thailand) Co., Ltd.
		WD	Synnex (Thailand) Co., Ltd.
			Eternal Asia Distribution (Thailand)
		Toshiba	Eternal Asia Distribution (Thailand) Co., Ltd.
	Mainboard	MSI	Synnex (Thailand) Co., Ltd.
			Ascenti Resources Co., Ltd.
		Asus / Gigabyte	Estec (Thailand) Co., Ltd.
			Synnex (Thailand) Co., Ltd.
		Asrock	SVOA PCL.
			Synnex (Thailand) Co., Ltd.
		Galax	Ascenti Resources Co., Ltd.

Product Type	Product	Brand	Manufacturers and Distributors
	Monitor	LG	LG Electronics (Thailand) Co., Ltd.
		Samsung	Thai Samsung Electronics Co., Ltd.
		Acer	VST ECS (Thailand) Co., Ltd.
			WellTech Group Co., Ltd.
		AOC	Synnex (Thailand) Co., Ltd.
	Power Supply	Cougar	I3 Distribution Co., Ltd.
		Thermaltake	Synnex (Thailand) Co., Ltd.
			Ascenti Resources Co., Ltd.
		Cooler Master	SVOA PCL.
			Ban Leong Chin Inter Co., Ltd.
		Bequiet	Connect I.T Co., Ltd.
		Antec	Ascenti Resources Co., Ltd.
		Super Flower	Ascenti Resources Co., Ltd.
		Silver Stone	Ascenti Resources Co., Ltd.
		AeroCool	The Tython Co., Ltd.
			I3 Distribution Co., Ltd.
		Plenty	Planet T&S Co., Ltd.
		Corsair	Synnex (Thailand) Co., Ltd.
		Asus	Ingram Micro (Thailand) Co., Ltd.
			SCANNER Co., Ltd.
	Solid State Drive (SSD)	HP	Connect I.T Co., Ltd.
		Samsung	Ascenti Resources Co., Ltd.
			SiS Distribution (Thailand) PCL.
		Transcend	SiS Distribution (Thailand) PCL.
		Adata	SiS Distribution (Thailand) PCL.
			WellTech Group Co., Ltd.
		WD/Kington	Synnex (Thailand) Co., Ltd.
		Corsair	Ascenti Resources Co., Ltd.
		Zadax	Plenty Computer Co., Ltd.

Product Type	Product	Brand	Manufacturers and Distributors
	RAM	G.Skill	I3 Distribution Co., Ltd.
		Transcend / Adata	SIS Distribution (Thailand) PCL.
		Corsair	Ascenti Resources Co., Ltd.
		OCPC	Connect I.T Co., Ltd.
		Kingston / Klew / Thermaltake	Synnex (Thailand) Co., Ltd.
		Patriot Viper	Doracool Co., Ltd.
		Zadax	Plenty Computer Co., Ltd.
	Computer Case	Antec / Silver Stone	Ascenti Resources Co., Ltd.
		Corsair / Thermaltake	Synnex (Thailand) Co., Ltd.
		Cooler Master	Ban Leong Chin Inter Co., Ltd.
			SVOA PCL.
		Cougar / DeepCool	I3 Distribution Co., Ltd.
		AeroCool	I3 Distribution Co., Ltd.
			The Tython Co., Ltd.
		MSI	WellTech Group Co., Ltd.
		Bequiet	Connect I.T Co., Ltd.
		Asus	Ingram Micro (Thailand) Co., Ltd.
			SCANNER Co., Ltd.
		DarkFlash	Plenty Computer Co., Ltd.
		Montech / Phantek / Zalman	Ascenti Resources Co., Ltd.
3. Mobile Phone 	iPhone	Apple	Apple South Asia (Thailand) Ltd.
	Smart Phone	Huawei	Huawei Technology (Thailand) Co., Ltd.
		OPPO	Possefy Group Co., Ltd.
		VIVO	VIQ Group Co., Ltd.
		XIAOMI	Xiaomi H.K. Limited
		Realme	Fessopy Co., Ltd.
		One Plus	OnePlus Communicate Co., Ltd.
		Samsung	Thai Samsung Electronics Co., Ltd.
		Motorola	Synnex (Thailand) Co., Ltd.

Product Type	Product	Brand	Manufacturers and Distributors
4. Tablet 	iPad	Apple	Apple South Asia (Thailand) Ltd.
	Smart Phone and Tablet	Lenovo	Lenovo (Thailand) Ltd.
			SIS Distribution (Thailand) PCL.
			Ingram Micro (Thailand) Co., Ltd.
	Tablet	Acer	SIS Distribution (Thailand) PCL.
		Asus	VST ECS (Thailand) Co., Ltd.
		Microsoft	VST ECS (Thailand) Co., Ltd.
5. Accessories 	Speaker	Harman	Mahajak Development Co., Ltd.
		JBL	Mahajak Development Co., Ltd.
		Marshall	Ash Asia International Co., Ltd.
		B&O	RTB Technology Co., Ltd.
		Fender	Generation S Co., Ltd.
	Stylus	Wacom	Diversitec Distributor (Thailand) Co., Ltd.
		Adonit	Generation S Co., Ltd.
	Case	UNIQ	RTB Technology Co., Ltd.
		UAG	URBUN ARMOR GEAR, LLC
		JTL	Maitreechit888 Co., Ltd.
	Adepter / Mobile Cable	UAG	URBUN ARMOR GEAR, LLC
		Belkin	Belkin Asia Pacific Ltd.
		Amazingting / Wroof	Maitreechit888 Co., Ltd.
		Energea / Uniq / Bazic	RTB Technology Co., Ltd.
		Ugreen	Gadget villa Co., Ltd.
	External Harddisk	Seagate	Synnex (Thailand) Co., Ltd.
			SIS Distribution (Thailand) PCL.
		WD	Western Digital (S.E. Asia) Pte Ltd.
			Synnex (Thailand) Co., Ltd.

Product Type	Product	Brand	Manufacturers and Distributors
	Headphone	Beats	Apple South Asia (Thailand) Ltd.
		Marshall	Ash Asia International Co., Ltd.
		JBL	Mahajak Development Co., Ltd.
		Jabra / B&O	RTB Technology Co., Ltd.
		Sony	Sony Technology (Thailand) Co., Ltd.
	Mouse & Keyboard	Logitech	SIS Distribution (Thailand) PCL.
			Synnex (Thailand) Co., Ltd.
		Microsoft	SIS Distribution (Thailand) PCL.
	Printer	Epson	SVOA PCL.
		HP	SIS Distribution (Thailand) PCL.
			VST ECS (Thailand) Co., Ltd.
	Smart Watch	Garmin	GIS Co., Ltd.
		AMAZFIT	Fanslink Communication Co., Ltd.
			SIS Distribution (Thailand) PCL.
		IMOO	IMOO Thai Technology Co., Ltd.
		Huawei	Huawei Technology (Thailand) Co., Ltd.
		XIAOMI	Xiaomi H.K. Limited
			SIS Distribution (Thailand) PCL.
6. Lifestyle 	IOT	XIAOMI	Xiaomi H.K. Limited
			SIS Distribution (Thailand) PCL.
		Realme	Adept Co., Ltd.
	Action Cam	Gopro	Mentagram Co., Ltd.
			RTB Technology Co., Ltd.
	Drone	DJI	DJI Phantom Thailand Co., Ltd.
7. SIM Card 	SIM	TRUE	True Distribution & Sales Co., Ltd.



Inventory Management

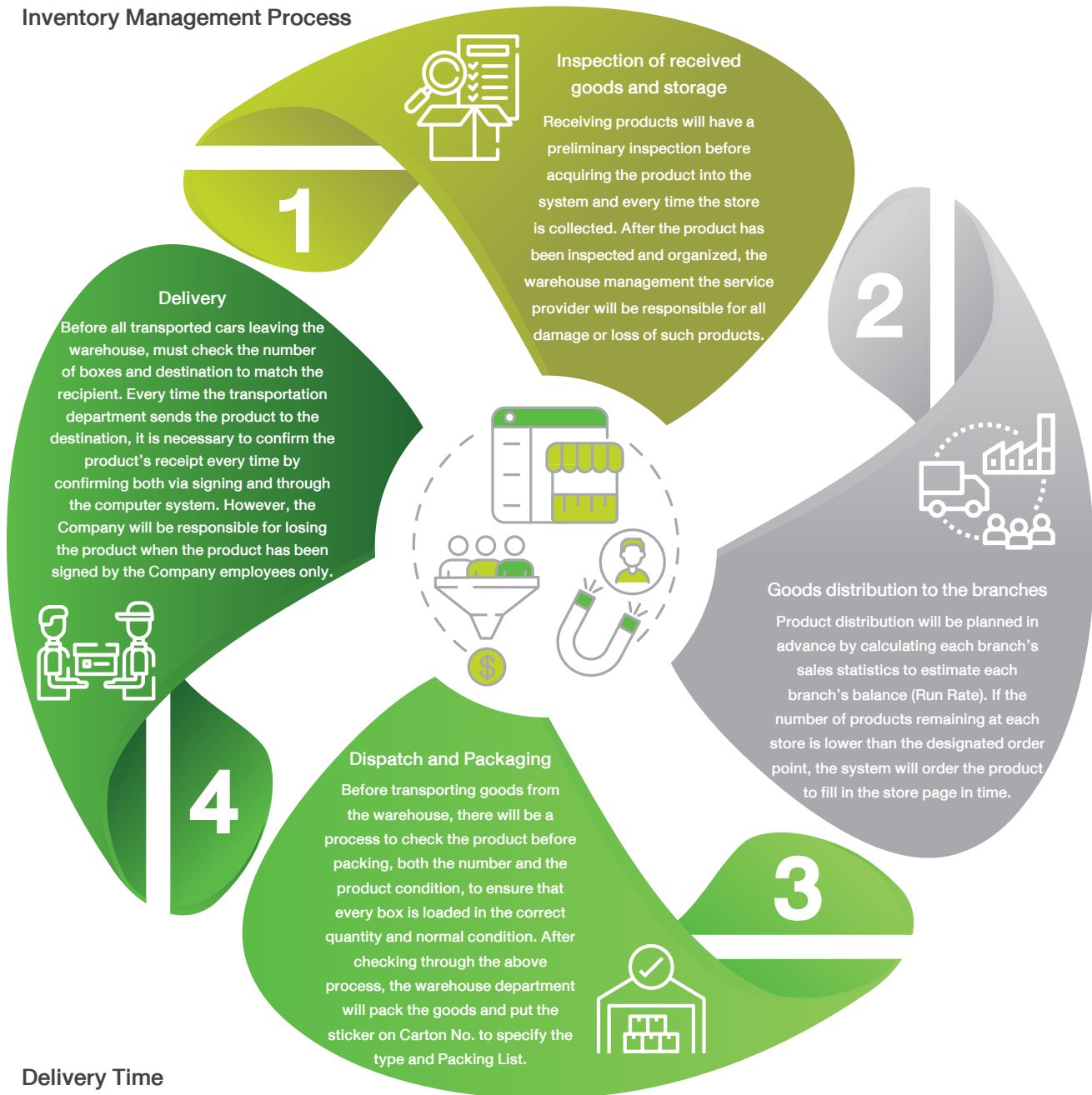
The Company has hired Agility Co., Ltd., to manage the warehouse from the 4th quarter of 2020. Agility Co., Ltd., established in 1979 in Kuwait, operates a warehouse service business and grows into a large company at the Middle East's logistics service. Also, it has joined forces with more than 40 logistics companies. Today, Agility Company Limited is the world's largest logistics service company and industrial property development, including transportation services, airfreight, sea freight, overland transportation, and warehouse & inventory management. It is a company that has the potential and standards by providing various services with many leading companies both in the country and abroad. There are essential customers in many business groups, such as high-tech equipment, electronics, automotive, consumer products, energy, chemical, and other industrial customers. The Company has allowed Agility Co., Ltd. as the warehouse manager to help the Company reduce the cost of investment in warehouse construction, hiring warehouse staff, and expenses for training related employees. It also increases efficiency in distributing various products to the Company's branches nationwide.

Besides, the Company has a policy of continually auditing Agility Co., Ltd.'s warehouse management in terms of performance and productivity and warehouse & inventory management. There will be an inventory count (Cycle Count) each day. Every product will be counted within one month and counted together with the Company's accounting department and the performance appraisal every year.

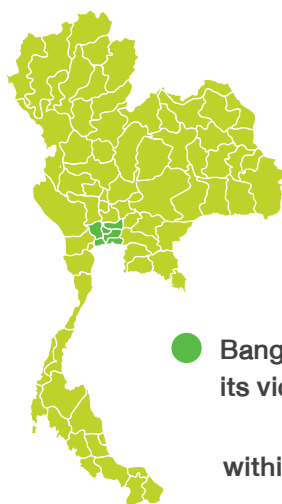
The Company's warehouse management and logistics use a computer system and an online system to connect to the Company's distribution channels. It will enable the central staff to know information about ordering, receiving, shipping, and transferring products, including the balance of inventory at any time (Real-time). Besides, the Company's products' sales use a product barcode scanning system and a FIFO product management system, enabling the management to recognize every product's age and formulate strategies to deal with outstanding inventories on time.



Inventory Management Process



Delivery Time



● **Bangkok and its vicinity**
within **1** day,

delivered by Com7 Public Company Limited

● **Other provinces nationwide**

within **1 – 3** days

delivered by

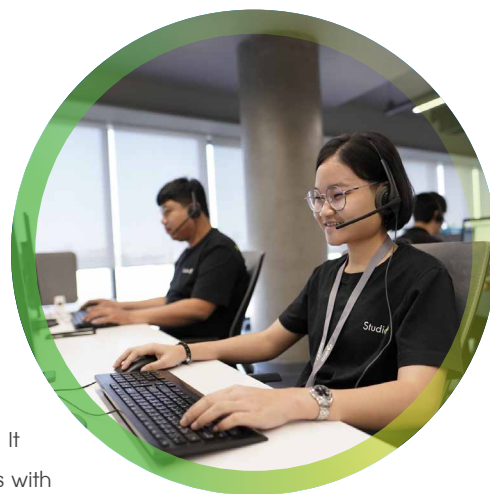
1. Silom Transport Co., Ltd.
2. RFE Service Co., Ltd.
3. Triple I Logistics Public Company Limited
4. DSV air & sea Co., Ltd.
5. Kerry Express (Thailand) Co., Ltd.
6. DHL Express Inter. National (Thailand) Co., Ltd.

Delivery to Online Customers

Due to the Company's online sales growth dramatically in the past 1-2 years, the Company has expanded its online warehouse space in 2021 from 700 sq. m to 1,750 sq. m to support sales expansion that will occur in the future.

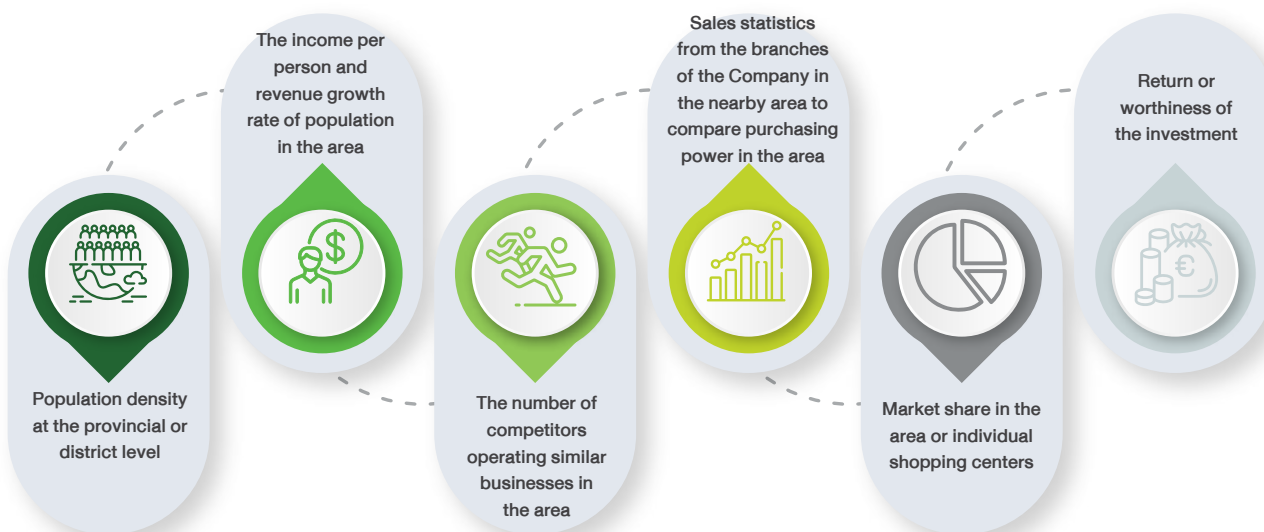
The Company delivers products directly to customers through private courier companies, such as Kerry Express (Thailand) Co., Ltd., and DHL eCommerce Thailand, providing delivery service within 1-3 days, or Next Day Delivery. There is a particular service with an additional 300 baht surcharge for express delivery within 3 hours (only for products with specified dimensions and weight) in Bangkok and service areas. It is provided by Lalamove Thailand and Scootar Beyond Co., Ltd., to serve customers with fast delivery to meet the needs of customers.

There is also an additional particular delivery service for pre-order smartphone products, which is the Same Day delivery within Bangkok, including Midnight Delivery with an additional charge of 300 Baht so that customers can get the product before anyone else. After-sales service for online channels, the Company has a team to solve problems for customers for maximum satisfaction.



Selecting Location

The Company has the policy to expand the branch by focusing on areas located of department stores, and the selection will be based on the important characteristics surrounding each department store as follows:



This year, additional risks have been diversified by opening other stand-alone stores with a target of 40-50 stores. The size of the store depends on the potential and purchasing power in each area. In addition, the Company has a plan to introduce products in the electrical appliances category selling in a stand-alone store to expand the customer base beyond IT products.

After selecting the area and analyzing the feasibility of marketing and investment, the Company will propose to the Executive Committee for consideration. If any branch has operating results that do not meet the plan, the Company will closely monitor the said branch and find why it did not meet the target to solve the problems that arise. Or proceed to adjust products sold in the unit to meet the target customers, including improving employees and services' quality. If still unable to improve the operating results to meet the target, the Company has the policy to move its branches to another suitable location.

Besides, the Company has a policy to partner with retail developers and managers to find business opportunities together. It also has a distribution of rental space that is diverse to reduce the risk of relying on any one of the landlords.

Industry Conditions and Competitive Strategies

IT Product Industry Conditions

The spread of COVID-19 has affected the way of life of everyone, causing a change in behavior and lifestyle, resulting in a new way of life (New Normal). The business sector has adapted by bringing technology to help in doing more business, both working from home and online meeting or even online teaching and learning. Therefore, technology and communication products also received benefits, such as notebooks, desktops, etc. The sales volume of both computer desktops and notebooks has increased. In 2020, the amount reached 297 million, an increase of 30 million from 2019, or 11%. It was the proportion of notebooks than desktops. It reflects the direction of the computer market that can grow back after the Covid-19 situation to use notebooks for working at home, online teaching & learning, and the growing online game market. It is considered a positive factor for the future's retail-wholesale business of computers and equipment.

In addition, business growth is in line with the value of computer, equipment, and components imports. In January 2021, there was an increase of 24.74% compared to January 2020. It reflects the higher demand for computer products in the country and is an opportunity to grow the retail-wholesale business computer and equipment.

Table 1: Computer Sales volume

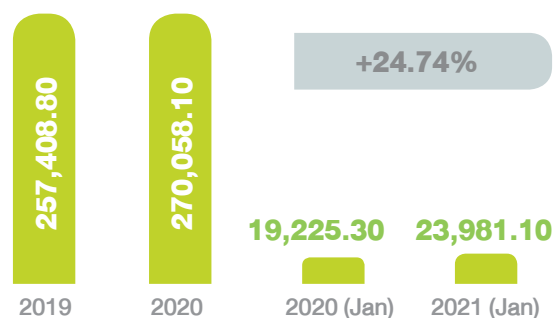
Unit: Million pcs.

Brand	2019	2020	Growth (%)
Lenovo	64.89	72.63	11.9
HP	63.10	67.57	7.1
Dell	46.49	50.29	8.2
Apple	19.39	22.59	16.6
Acer	17.04	20.01	17.4
Other Brands	56.65	63.92	12.8
Total	267.55	297.12	11.0

Source : Market research company Canalis

Graph 1: Import value of computers, equipment and components

Unit: Million Baht



Source : Information and Communication Technology Center

IT Business Growth

The establishment of a retail-wholesale business of computers and equipment in 2021 (Jan-Feb) amounted to 107 cases, an increase of 13.83%, and registered capital of 249.71 million baht, an increase of 50.88% compared to the same period of the previous year. From the data of business establishments from 2018 - 2020, it was found that although there were fewer business registrations, at a not very high level. However, in 2020, the situation of the Covid-19 epidemic occurred from March to April, causing a slowdown in all sectors, both the tourism sector, the export sector, and the registration of new entrepreneurs' business establishments, which delayed the registration to wait and see the economic situation. Nevertheless, computers are still essential for businesses and occupations. In addition, the online business market is expanding more and more, including the growth of sports E-Sports that all rely on computers as a factor in driving to achieve business objectives. Besides, the need for a computer to work following the Work from Home policy is another factor stimulating this business's sales. Therefore, new entrepreneurs need to adjust in various situations by marketing planning and adaptation to operate the business as intended.

Smartphone Industry

International Data Corporation (IDC), a market research company, assessed the overall picture of the global “Smartphone Market” in 2021. Even if there was a supply chain problem, there was a better trend with the benefit of 5G technology, making consumers in emerging markets upgrade to “Premium” more.

IDC released its 2021 Smartphone Business Assessment Report, with global smartphone shipments expected throughout this year would increase by 7.4%, representing 1.37 billion units, and expected to grow 3.4% in 2022-23. The 7.4% growth was attributed to the strong growth of smartphones running iOS, which increased 13.8%, twice that of Android’s 6.2%.

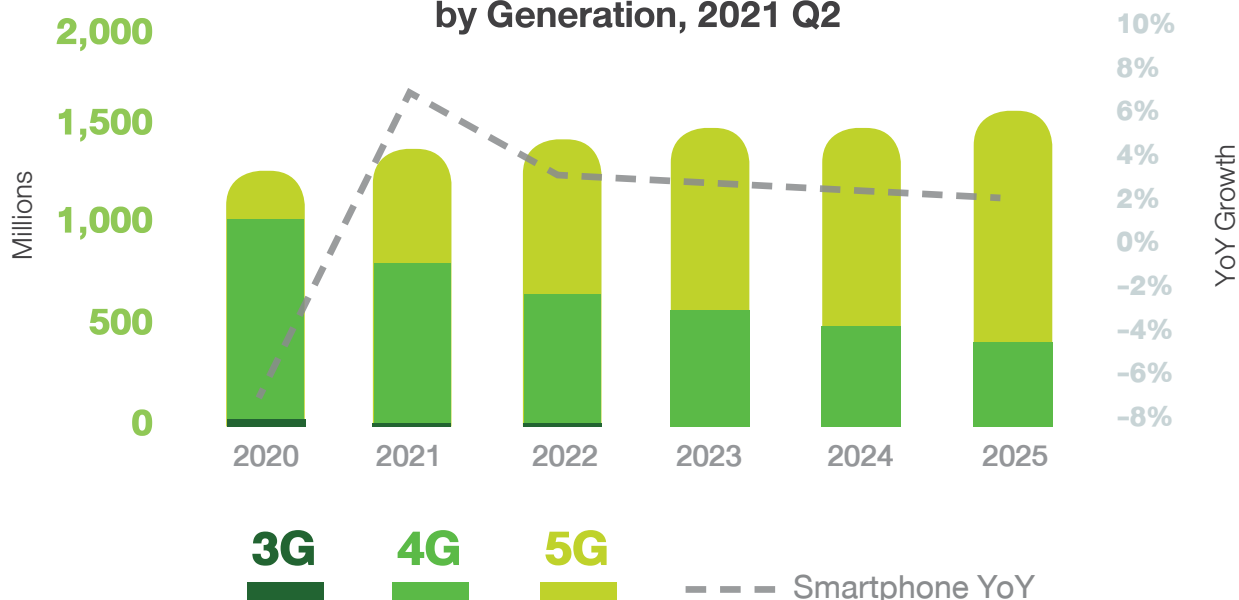
While the world’s largest markets, such as China, the United States, and Western Europe, growth was at pre-Covid (2019) levels, emerging markets like India, Japan, the Middle East, and Africa saw very high growth. In addition, the leading brands coped with better supply chain management after the past year facing the pandemic crisis, causing some product launch timelines to be postponed. However, many brands have returned to continue producing products as planned this year.

Besides, in many countries that could deal well with COVID-19, especially in large countries, resulting in consumer demand during the latest quarter continued to recover consistently in the same direction as Thailand. Based on data from IDC, smartphone sales in Thailand, the first quarter was up 70.9% year-on-year (YoY) and 34.2% quarter-on-quarter (QoQ) up to 6.35 million devices amid the Covid-19 pandemic.

During the first quarter, the increase in sales considered a break from the past trends because the first quarter would usually have relatively fewer sales. It was due to the money was spent in the fourth quarter first. IDC pointed out that the reason for the increase in sales in the first quarter was that manufacturers did not have sufficient stock. In contrast, the demand for smartphones continued to exist. Besides, a project related to the application “Paotang” helped stimulate trading. In addition, in the past few months, many models of 5G smartphones at affordable prices were released. It helped drive the 5G trend in Thailand.



Worldwide Smartphone Forecast by Generation, 2021 Q2

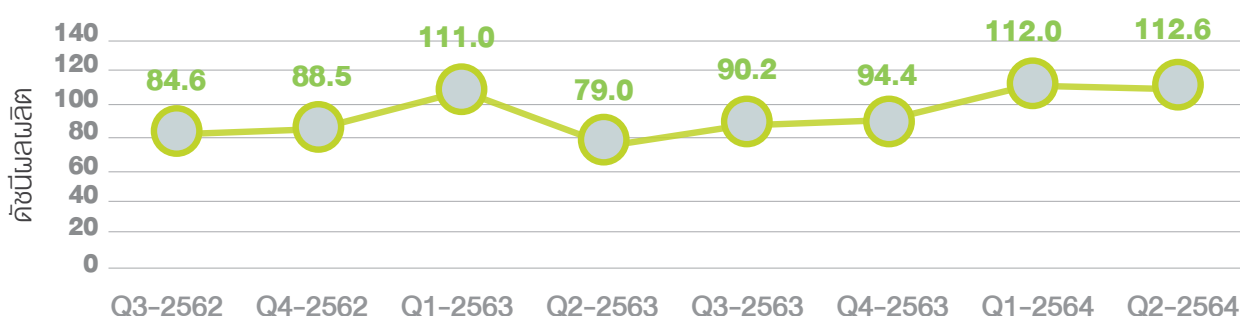


Source : IDC 2021

Electrical Appliances Industry

The electrical appliances industry business at the beginning of 2021 was in a good trend. It was due to the increase of orders in domestic and international markets from the recovery of the global economy from the epidemic situation of the Covid-19 and demand from the world's major markets. Therefore, the same as Thailand, main products increased, i.e., washing machines, rice cookers, compressors, electric kettles, cables, microwave ovens, electrical cables, refrigerators, electric motors, fans, and air conditioners, which increased by 60.3%, 53.6%, 38.5%, 32.8%, 21.7%, 19.8%, 14.9%, 14.1%, 9.2%, 4.9%, and 3.2%, respectively.

At the same time, the number of electrical appliances imports in the second quarter of 2021 increased by 1.6% from the previous quarter and 31.9% from the same quarter of the last year. The primary commodities increased imports, i.e., fans, washing machines, compressors, electric transformers, microwave ovens, and electric motors, by 71.1%, 66.9%, 63.9%, 57.5%, 54.1%, 42.8%, and 42.29%, respectively.



Source : The Office of Industrial Economics

The Company recognizes the importance of growing numbers in the electrical appliances business, therefore, increased investment in retailing electrical appliances. Accordingly, such business will begin in some branches before adding electrical products in other units.

Online IT Product Industry

In 2021, internet access of the Thai population accounted for 70% of the total population, and Thai people still spent time on the internet up to 8 hours a day. Therefore, it was considered among the top 10 globally (according to the survey of We are social: Digital 2021 Global Overview Report). Especially in online shopping, the average was higher than 77%, while Thai people's was as high as 84%, which reflected higher and growing online shopping behavior. In addition, the survey results by ETDA and the Ministry of Digital showed the growth rate of the E-Commerce business in Thailand with an average growth of 10% per year, with the total market value ranked No. 1 in ASEAN, which was worth 4 trillion baht. The higher growth rate came from B2C businesses and SMEs. The business with the most growth was the online electronics business by up to 113%.

E-Commerce business trends in 2022 are expected to continue to grow, and there will be many brands to market online more Direct to consumers. Besides, the line between offline and online is getting thinner, and every brand will try to connect more sales channels to be Omni-Channel. Moreover, there will be a massive increase in investment to enhance sales channels to meet customers' needs. Integrate and develop sales through Social commerce / Live Commerce on significant platforms such as Tik Tok / Facebook / Instagram to drive consumers' decisions instantly and seamlessly.

(source: articles and reports from ETDA, Ministry of Digital, Marketeeronline.co.th, Bangkokbiznews)



Trends and Future Developments

Assoc. Prof. Dr. Thanachart Numnonda, Director of the IMC Institute, said, "Gartner divides technology trends in 2021 into three groups:"

1. People centricity or people are at the center of everything because people are still the center of business, which is necessary to digitize various work processes.
2. Location independence or the freedom of a place in line with the current learning and working style where we can work or study without limiting the location.
3. Resilient delivery or flexibility to adapt quickly and agile, the business must bring technology to support the changes occurring.



These three parts will become a new era known as the "Internet of Behaviors," where businesses must understand their customers. The Internet of behaviors is the first trend Gartner has named the next star of the year.

This condition is even more evident from the COVID-19 epidemic situation. The unprepared organization will not be able to work continuously. Therefore, every business must be ready to change all the time. Although many organizations in Thailand have already called employees to come back to work at the office, work behaviors, including consumption, have changed. Due to we are getting used to working or receiving services from anywhere.

Additionally, the World Economic Forum (WEF) recently published a report titled "The Future of Jobs 2020." The survey results contained interesting information in many areas, especially regarding working skills that have changed from the Covid crisis. The WEF said the global lockdown and recession caused a dramatic change in work, and a so-called "Double Disruption" occurred, which increased the demand for new jobs.

5 Trends to Watch in 2021

1. 5G, IoT, and Edge computing are the three intelligent connected technologies

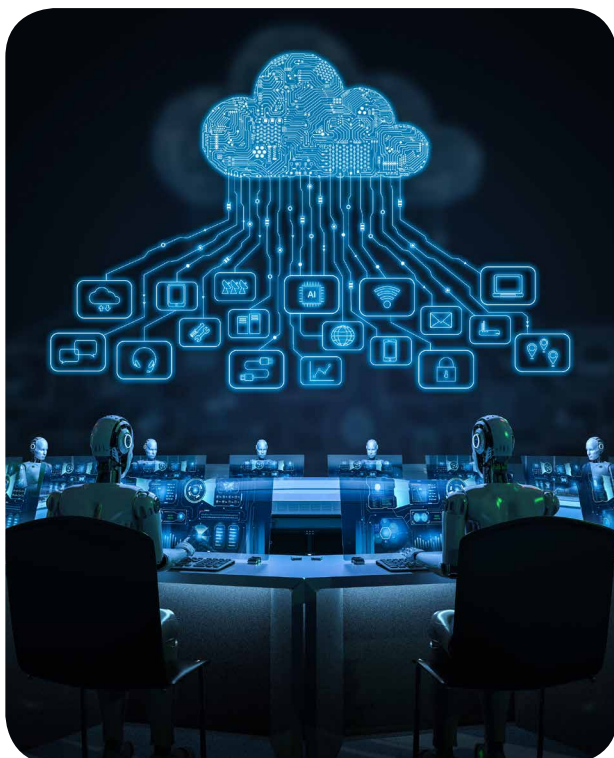
The Asia-Pacific region is continually improving its 5G path while commercial 5G services are already available in nine countries, including South Korea, Japan, and China; a further 12 countries have officially announced similar plans. Increased 5G availability will drive ultra-low latency Internet of Things (IoT) and Edge computing, high bandwidth network, and effectively support access to many end-user devices. For example, 5G, IoT, and Edge computing can be used for intelligent vehicle management in the transportation industry. Edge computing devices can be employed to monitor critical vehicle systems, and 5G networks can be utilized to send alerts and follow the route of transportation route planning, including facilitating communication between vehicles. Red Hat predicted that by 2021, organizations and cities in the Asia-Pacific region, 5G, IoT, and edge computing would be used to enable connectivity and increase efficiency in the various applications arising from these three technologies. It included analyzing the data obtained from the sensors to predict maintenance and quality control. Augmented Reality (AR) technology was used to control work remotely and a personalized 'connected experience' for engaging customers and suppliers.



2. Hybrid Cloud Security

Customers and employees expect business applications and services with high availability and security to use as needed to meet those mentioned above. Therefore, Red Hat recommends that organizations use the hybrid cloud to make working in any environment (such as on-premises, private or public cloud) easier and faster. According to Red Hat's 2021 Global Tech Outlook report, over the next 12 months, 77% of organizations in the Asia-Pacific region surveyed had plans to use more than one type of cloud platform, both private and public clouds. It was an increase of 53% from the 2020 survey. There are three main reasons why organizations deploy their applications through the hybrid cloud: improve data security, increase IT flexibility, and deal with personal data issues.

Advances in Hybrid Cloud adoption of various organizations, security remains a crucial concern for enterprises. Nearly half of the organizations surveyed worldwide said cloud security was their top investment priority this year. Security challenges include different components, such as user endpoints, networks, and data security. One way to overcome these challenges is to use an open security automation framework that brings together various security practices utilizing a suite of automated workflows. Doing so will give the organization a better view of all operations through all security functions help identify threats or cyber attacks more quickly.



3. Cloud Native will drive container adoption

Cloud Native applications can respond to changes, implementation, and rapid development with new features and functions being added regularly, fast, and reliable with less risk. As more and more organizations adopt the hybrid cloud to increase scalability and the availability of applications, enterprises using Cloud Native development are better positioned to create and run responsive applications and scalable on any cloud. It is also able to continue working even with some damage.

The container is the core technology that unleashes the benefits of Cloud Native development. The container helps collect and isolate applications with a whole runtime environment, making it easy to migrate applications between different environments while maintaining full functionality. Developers can use containers to more easily launch and update applications in independent services such as microservices instead of waiting for a single major update. Recognizing that containers can accelerate innovation causes 45% of Asia-Pacific region respondents to expect to put half of their workloads in the container over the next 12 months.

4. Automation will become more and more critical

The demand for customers is increasing rapidly. As a result, IT architectures are also constantly changing and built with more sophisticated technology. Additionally, organizations still need to support working from home during the COVID-19 pandemic. Coping with these needs, the organizations in the Asia-Pacific region are increasingly turning to automation to simplify, increase productivity, and reduce operating costs. However, to fully benefit from automation, there must be an overall automation strategy throughout the organization instead of deploying automated systems to work individually. More organizations are turning to automation with artificial intelligence and machine learning to generate even more automated insights to optimize business processes. Some Asia-Pacific region banks use Robotic Process Automation (RPA) to authorize credit card applications, automatic payment, and claim verification. Due to RPA can learn more and imitate human decisions and behavior to duplicate the behavior of users that comply with the set rules. It dramatically reduces the time spent doing those tasks.



5. Open working culture is essential to foster technological modernization

The November 2020 study, sponsored by Red Hat, surveyed 80% of Asia Pacific business leaders rated their work culture change and technology modernization equally crucial in digital transformation. Important cultural attributes for change, deployment, employee engagement, transparency, and collaboration are open-source working principles. Organizations supporting culture-change initiatives are always trying to modernize their infrastructure and application architecture, which will develop and deliver new applications quickly, respond to the needs of customers fast, and control the cost of maintenance.

Businesses in the Asia-Pacific region recognize that Digital transformation arises from converting thought processes. Therefore, we anticipate that organizations will accept principles, methods, and open cultures. Once received, organizations will maintain cooperation and encourage employees to use their best ideas to use in their work. As a result, it will accelerate innovation and cope with the changing needs of customers and businesses with agility.



Competition

The Company focuses on being the leader in selling IT products through retail channels, i.e., selling products selected to meet every consumer group's needs. Many different types of products keep up-to-date and can provide products that meet the end-user needs directly. Therefore, the Company's competitors are retailers with the same kind of IT products, such as the shops selling laptops, desktop computers, mobile phones, tablets, and other accessories. The group of entrepreneurs will be both the sole owner. There are only 1-2 stores (Single Shop) and private companies that have a large number of stores (Chain Store). Besides, competitors operate a real estate business in shopping centers and large hypermarkets that have allocated their shopping area for selling IT products and consumer electric appliances. The details of the current competitor compared to the storefront of the Company as follows:

(1) Computer and Mobile Phone Stores

Company	Storefront
Advice Holdings Group Co., Ltd.	Advice
Jaymart Public Co., Ltd.	Jaymart
J.I.B Computer Group Co., Ltd.	J.I.B.
TG Cellular World Co., Ltd.	TG FONE
IT City Public Co., Ltd.	IT City
Computer System Connection International Co., Ltd.	CSC
Central Retail Corporation Co., Ltd.	Power Buy
The Mall Group Co., Ltd.	Power Mall
Ek-Chai Distribution Co., Ltd.	Tesco Lotus
Big C Supercenter Public Co., Ltd.	Big C

Source: Company information and Estimates of Company data collection

(2) Apple Stores

For Apple stores, entrepreneurs require to be appointed by Apple South Asia (Thailand) Co., Ltd. to get the authority to be an official dealer to operate the business, resulting in fewer competitors than general IT stores. Besides, the shop's style and layout, product arrangement, promotions, and sales prices are controlled entirely by Apple. Therefore, the competition's key is the stores' location, whether it is in the proper position or not, and Apple's policy shall not allow the same type of Apple store in the same shopping center. As a result, having a branch in a well-located area and operated before is a great advantage. At present, the Company is the shop operator selling Apple products with the most significant number of branches and covers in Bangkok and most provinces in Thailand. Apart from the Company, there are other companies which provide services similarly as follows:

The Company also operates the repair service center for Apple products (iCare) to facilitate the customers and as an additional income channel. The operators require to be appointed by Apple South Asia (Thailand) Ltd to receive the right to be an official service provider. Resulting in a small number of competitors, and in 2020, the Company still had the most significant number of premium service providers in Thailand. Apart from the Company, there are other companies which provide services similarly as follows:

In addition to a sales channel like a storefront, the Company sells its products through e-commerce channels by distributing through the website Bnn.in.th, which collects more than 10,000 items of all IT products. The business of distributing products through electronic commerce channels has competitors in a sole proprietorship and company model. It is divided according to the format of the website platform and the market place platform as follows:

(1) The companies selling IT computers, smartphones, Apple, accessories, notebooks, tablets on the website.

Company	Website
J.I.B Computer Group Co., Ltd.	www.jib.co.th
IT City Public Co., Ltd.	www.itcityonline.com
Power Buy Co., Ltd.	www.powerbuy.co.th
Advice Holdings Group Co., Ltd.	www.advice.co.th

Company

SPVI Public Company Limited

Copperwired Company Limited

UFicon Company Limited

Company

SPVI Public Company Limited

Copperwired Company Limited

UFicon Company Limited

Unity Progress Company Limited

(2) The companies selling IT products, smartphones, accessories, Apple, notebooks, and general merchandise in the form of an online marketplace (Market place)

Company	Website
Central JD Commerce Co., Ltd.	www.jd.co.th
Lazada Co., Ltd.	www.lazada.co.th
Shopee (Thailand) Co., Ltd.	www.shopee.co.th
Topvalue Corporation Co., Ltd.	www.topvalue.co.th

Marketing Conditions for Retail Business, IT products, and Target Groups

The Covid-19 epidemic crisis in 2021 was likely to improve. In the second half of the year, the number of infected people began to improve. In addition, public health management was much more efficient, including increasing general public access to vaccination, causing the government to start easing lockdown measures in some areas. Many retail businesses launched campaigns to boost sales, and people started to come back to spend. According to the Kasikorn Research Center, retail sales in the last quarter of 2021 were likely to recover at 1.4% compared to the same period the previous year, a contraction of 1.2%.

There were also references from "Gartner," global IT spending figures that continued to flow due to the effects of Covid-19. As a result, the world looked for IT and digital services to meet living and working needs while business sectors were intensively investing in IT systems to support long-term plans when the world entered the post-Covid era. In that part of Thailand, IT costs were growing as well. It was expected that this year would rise about 5%, representing a value of 668 billion baht, enterprise software, the highest growth of 13.6%, or 45,937 million baht, followed by data center, growing 10.9%, or 27,517 million baht, while devices were increasing 9.5% or equivalent to 176,975 million baht.

While communication services, despite having the highest spending value of 358,885 million baht, only grew 2.8%. The same as IT services grew negatively. Gartner expected that by 2022, the spending value of Thai IT would increase to 703,576 million baht. Enterprise software was also the group with the highest growth.

Forecasting the spending on IT products still has a higher growth trend. It results from changing consumer behavior with the adoption of digital technology for working and learning remotely. Therefore, create an unexpectedly fast change phenomenon, including living a new way of life during the lockdown period and distancing measures.

Trends and Future Developments

Due to the spread of COVID-19, the Company has adapted without relying only on the distribution of products at the storefront by developing better online sales channels. The potential has been added to the Omni Channel, analyzing data to present products that meet customers' needs or offer promotions that are consistent with their purchasing behavior to allow customers to access products and services more conveniently. Even though they didn't go to the store, customers can order and inquire conveniently. In addition, delivery of products to customers is fast and accurate.

Covid-19 Crisis in the past year leads to a more visible retail business transformation, especially the creation of standards for cleanliness and safety for health. It will become a factor that consumers pay more attention to and enter the online market that can meet the needs of consumers both in terms of products and quality of after-sales service. After the consumer learns new things from quarantine and working from home, it causes changes and becomes normal behaviors.

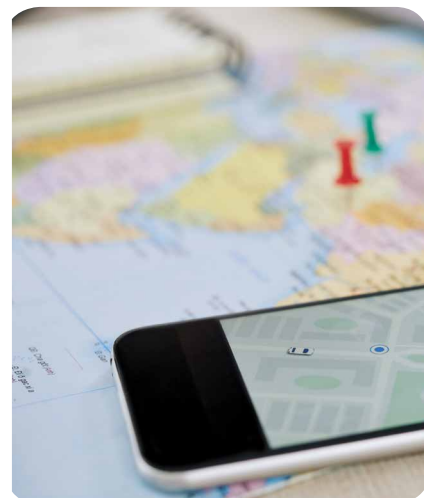


Competitive Strategy

The retail business of IT products is a relatively low gross margin compared to other retail products. Resulting in various fixed cost management, whether it is the cost of employees, cost branch expansion, and financial, all affect entrepreneurs in the industry. Therefore, entrepreneurs with high sales or who have more capital will be quite advantageous than the small entrepreneurs. Other than the Company's effective policy to control various costs, the Company also has the following strategy, which is an essential factor in the competition of IT products retail business.

(1) Branch Location

Location is the top priority of the business, whereby the Company is in the retail business for more than 20 years, therefore, has accumulated experience in selecting potential locations. At present, as the Company is the largest retailer of IT products in the country, resulting in the storefront of the Company able to spread to cover high potential areas in advance before competitors. Moreover, the Company still has plans to expand the branch continuously to seize the location with high growth opportunities by creating a good relationship with the owner of the area, the leading shopping center developer nationwide. The Company's excellent image results in the owner of the shopping center trusting and wanting the Company to open the storefront. Therefore, when the area's owner is planning to expand the space or expand additional shopping centers both in Bangkok and other provinces, the area's owner will come to discuss and persuade the Company to choose the location in the shopping center as the first group. The Company shall determine the best location in the shopping center, such as an area where people walk most, in front of the escalator, or on the floor with many people walking.



(2) Variety of Products

The Company has a service strategy with a variety of products. It covers many dimensions, whether it's the dimension of use. For example, both are customers using at home (Home Use) and customers using in organizations (Business Use). Or it will be a dimension in the category of products, which has a variety of:

- IT products (Information Technology) such as various types of computers (Notebook, Desktop, Tablet), peripheral devices (Peripheral), software programs (Program & Software), and accessories
- Smartphone products (SmartPhone) and accessories
- Home Appliance category products (Home Appliance), both in the Audio Visual category (Audio Visual) and home and household appliances category (Living & Kitchen)
- AIOT products facilitating in the home

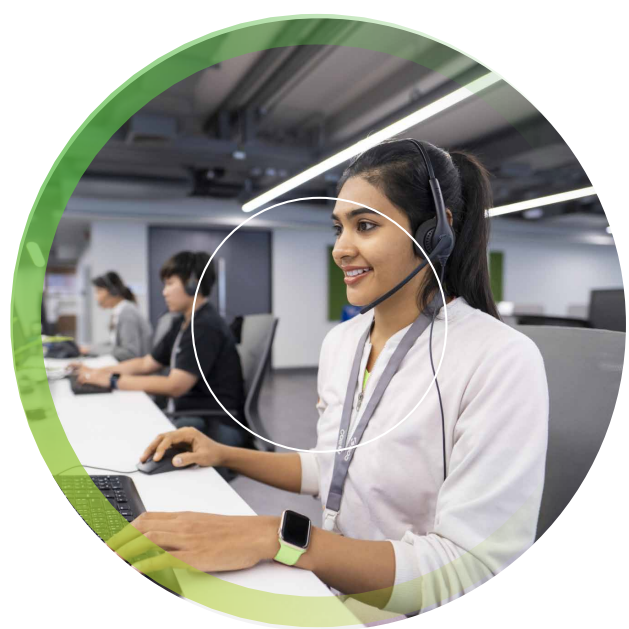
In addition, the Company has a wide variety of products in the dimension of the brand. The Company has the world's leading brand products and Thai's. It also has a wide variety of products covering selling prices ranging from hundreds of baht to hundreds of thousands of baht (Entry - Mainstream - Premium) to respond to target customers in each group in terms of price dimensions. At present, the Company sells products consisting of notebooks, desktop computers, all-in-ones, DIY computer sets & components, smartphones, tablets, gadgets, printers, network Wi-Fi routers, hard disk drives & solid-state drives, various related accessories, audiovisual appliances, and living & kitchen appliances including more than 10,000 items. It covers 100 brands worldwide such as Acer, AMD, Apple, Asus, Benq, Brother, B&O, Canon, Dell, D-Link, Electrolux, Epson, Fender, Fujitsu, HP, Haier, Huawei, Intel, Jabra, JBL, Lenovo, LG, Logitech, Marshall, Microsoft, Motorola, MSI, Nespresso, Nintendo, Nvidia, Oppo, Panasonic, Philips, Realme, Samsung, Seagate, Sharp, Sony, Tefal, Toshiba, TP-Link, Western Digital, VIVO, Xiaomi, etc.

The Company has a team selecting products from abroad, in the country, and from the Internet, including measures to choose quality products. There is a reliable warranty, service, and effective product management to get products to meet the needs of each target customer group both in the dimensions of the product type and the location of the Company's store, always in reasonable quantities and sufficient for distribution.

(3) Quality and Comprehensive Services

The Company focuses on quality service with dedication and intention to create maximum satisfaction for the customers who come to use the services in various distribution channels. The primary services of the Company include as follows:

- Customer services: The Company emphasizes the quality of personnel to provide excellent service to all customers. The Company's sales staff can advise customers when choosing and recommend suitable products. Besides, the Company offers payment services in the form of bank transfers for customers nationwide.
- Product warranty and after-sales services: All products of the Company and its subsidiaries are guaranteed in changing and repairing products from leading manufacturers and importers. Customers can access the service at all distribution channels nationwide under the terms of services.
- Product delivery: The Company has many options to deliver products to customers safely, such as nationwide delivery through leading private transport companies that are reliable, safe, and fast shipping or express mail ("EMS").
- Up-to-date and secured online ordering system: The Company has continuously invested in technology and website development to allow customers to view the product's details and facilitate buying the product and guarantee online purchases' safety. The Company uses SSL (Secure Socket Layer) throughout ordering products to prevent abuse of personal information of customers, including convenient payment systems, both cash on delivery, credit card payment, and counter service in all forms.



(4) Having a good relationship with partners

The Company places importance on the relationship between its partners. Throughout the business's past period, the Company has partnered with more than 200 suppliers who have received good cooperation and support both in various products and services from distributors. The Company has conducted business with partners like being friendly than being a partner. If the Company can sell products, its partners are also getting repeat orders. There is the policy of not taking advantage of partners, honest trading, and on-time payment. Therefore, when any partners want to trade in the Thai market or have new products to offer or technology, they usually consult with the Company first, resulting in the Company always having up-to-date products for distributing at the Company's storefront.

(5) Customer database and after-sales services

Almost every product has a warranty from the manufacturer with 6 months to 3 year warranty period. The Company will advise customers to register with the Company for the benefit of customers in the warranty. If there is a problem after purchase, the customer can contact to receive after-sales services. This method has resulted in the Company having customer information in the Company's database, which shall contact and communicate with customers on the next occasion including providing after-sales services shall be more convenient.

(6) Employing appropriate marketing strategies

The Company uses marketing policies to reach customers, such as creating marketing activities on the storefront to attract customers to know the stores and buy products and use various services, including their re-purchasing with the Company. Moreover, there are marketing materials and promotional plans as follows:

- Using media via Facebook, Twitter, Instagram, Website, and Line Official to communicate activities, promotions, and new product launches
- Organizing sales promotions both at the Company's storefront and In-store promotion area as well as various activities regarding IT to enhance the sales volume
- Decorating the shops in various festivals according to the promotion plan each month to create the image of the shop as the IT store which is convenient to buy with the pleasant surroundings
- Associate with the banks to make 0% installment promotion "Cash back" to encourage the sales
- Providing electronic mail delivery (EDM) to the Company's customers informing market information and promotion to ensure the customers continue to use the service with affiliated stores
- Presence of Facebook messenger and Call Center channels to allow customers to inquire about the Company's products and services

(7) Sales staff training

The Company focuses on developing sales staff to be ready to perform operations according to the specified standards. Training is provided that adds vital skills to the salesperson from hospitality, service and product search, product offering, and consulting to create an impression from good service. Customers receive accurate product information accompanying the decision to purchase the product and confidence in buying repeat purchases next time. Sales staffs are through intensive training and ready to serve in all branches. Make it possible to create a new sales staff team to support business expansion, adding branches and replacing old employees continuously. All sales staff will receive training from the Company for a period of 1 week before actual operations. During the branch's work, all salesmen receive ongoing training from the Company's professional training team.



(8) Enhance the potential of the branch by opening in the New from Factor as follows:

1. Stand-alone BaNANA is located as a commercial building in the city with a good location and reasonable rental cost. For some areas, the Company plans to invest in constructing new buildings to suit the investment in each area. The main factor in choosing a place is its good location. In addition, the rent of the space is not high and has the potential to sell products. It can distribute products, which makes it possible to expand the coverage of more sales channels.
2. Co Business, the Company, received the right to manage sales in the electrical appliances area of INDEX living mall (ILM) for 30 branches. In addition, there is a plan to bring in more IT / Mobile / Apple products to distribute to expand distribution channels and expand the target group to new customers.

Online Channel Competition Strategy

1. With a variety of products www.bnn.in.th, there are strategies for presenting products to customers who visit the website with a wide variety of products in the product category, computer equipment, IT, smartphones, accessories, Apple products, notebooks, gadgets, cameras, and IOT home appliances with more than 10,000 items. It is the supplier with the most complete and productive products compared to competitors in the same industry.

2. Customers can pick up products at BaNANA branches, King Kong Phone, BKK, Studio7, and brand shops across Thailand. Customers can choose to receive products and receive additional services, both the introduction of the product and product inspection by employees to give customers the confidence to buy products from the website and make repeat purchases next time.
3. www.bnn.in.th establishes strategies for increasing customers' convenience by shopping on the website with complete checkout. Customers can choose a branch: BaNANA, BKK, Kingkong Phone, Studio7, and brand shops around Thailand, call center, Line chat to receive products and receive additional services, such as product recommendations and inspecting products. It ensures customers' confidence in purchasing products from the website and achieves repeat purchases next time.
4. After-sales service and product warranty, www.bnn.in.th focuses on after-sales service is an important strategy to give customers confidence when purchasing products on the website. The customers can access the repair service of products at any stores in the group of Com7 Public Company Limited nationwide and get a consultation service or recommended use from the employees anywhere. It will give customers the courage to decide to buy the product through the website www.bnn.in.th.
5. Site safety and personal information protection system, www.bnn.in.th uses technology to develop the website and provide our customers with maximum security, including the encryption system to prevent unauthorized access to SSL (Secure Socket Layer) information during online payment on the website. It is the safety standard used at the highest level that banks and international payment systems operate.
6. Using the right marketing strategy, www.bnn.in.th has implemented an online marketing strategy to communicate with target groups across the country effectively. Generate traffic to the website and create sales opportunities, including returning to rebuy the product next time by advertising through website media, such as Social Media, KOL, Influencer, Search Engine Marketing, Affiliate Marketing, and others.

Environmental Impact

Due to the Company and its subsidiaries are mainly engaged in the import and retail of IT products. Therefore, the business of the Company has no impact on the environment.

2. Adept Co., Ltd

Adept Co., Ltd. currently operates as a distributor Realme brand for wholesale and invests in Thunder FinFin Co., Ltd (formerly DNA Retail-Link Co., Ltd.)

Products and Services

It is a distributor of all IT business products under the Realme brand.

Channels of Distribution and Services

Wholesale

Customers and Prospects

IT stores nationwide due to it being a wholesale business of Realme products

Pricing Policy

According to the Realme brand policy and the Company set by referring to the wholesale price in the market

Market Conditions and Competition

In the wholesale field, there is no intense competition. Due to Thailand, there are still a tiny number of Realme product dealers that the brand has officially licensed. However, sales will be consistent with the overall condition of the IT market in Thailand.

Procurement of Products and Services

The Company jointly plans to order products with the Realme brand to be sufficient and suitable for distribution.

Environmental Impact

Being a wholesale business does not affect the environment.

3. Novus Integration Co., Ltd

Novus Integration Co., Ltd. currently operates as a Holding company that invests in Lorthong Co., Ltd. and Prime Solution and Services Co.,Ltd.

4. See Know How Co., Ltd

Products and Services

Provide professional training services to help to sell in product terms and related knowledge. The training both inside and outside also arrange to benefit the learning and solve trainees as much as possible.

Channels of Distribution and Services

Curriculum is promoted to the whole group of companies and planned together to make the curriculum effective and the information taught is up to date. In 2021, the Company introduced more online training technology to cover the training effectively.

Customers and Prospects

Company belonging to the Com7 Group Public Company Limited will focus on the store salespeople of the group companies operating at branches nationwide.

Pricing Policy

The Company has a policy for setting prices for each course by comparing the costs of companies doing the same business to be following the market price and prevent improper pricing.

Market Conditions and Competition

Currently, some companies offer many training courses in the market. However, the Company foresees that the same group of companies can develop and provide training courses that meet the needs more than outside companies. Due to the nationwide access to employees and branches of the group, it needs to be convenient, fast, and up-to-date at all times. Therefore, it gives the Company an advantage over other companies in management and planning to provide training courses that are most relevant to the Company group.

Procurement of Products and Services

The Company has a team of experts who understand the point of sale and product knowledge of many brands and product categories. They also have experience in teaching and transferring knowledge. The curriculum will be planned following the policy of the Company in the customer group.

Environmental Impact

The business of the Company is to organize training. Therefore, it has no impact on the environment.



5. Double Seven Co., Ltd

Products and Services

Double Seven, a TRUE Shop representative, operates under the name “TRUE by Com7” in Big C, Tesco Lotus, Robinson, and local department stores. It has approximately 6 - 260 sq. m, with 3-year management rights, which the contract can be renewed. Double Seven has started managing TRUE by Com7 since August 1, 2019, and received the right to renew the contract from True Distribution and Sales Company Limited (TDS), a subsidiary of True Corporation Public Company Limited (TRUE). We can perform all transactions from being a mutual commercial partner just like the TRUE Shop operated by TDS. Double 7 will receive commission income on various items, such as SIM compensation, merchandise sales, after-sales service fees, bill payments, operating under TRUE by Com7 stores.

TRUE by Com7



Channels of Distribution and Services

Double Seven has been granted management rights through the retail channel (TRUE by Com7). As of December 31, 2021, there were 124 stores. The main channel of TRUE by Com7 is distributing products and services through the storefronts located in the department stores.

Customers and Prospects

Double Seven's customer groups are divided into 2 main groups as follows:

(1) General Retail Customers

They are general store customers, such as retail customers who come to shop in department stores.

(2) Existing TRUE customers

They are former TRUE customers who come to pay bills or use after-sales service.

Pricing Policy

The pricing policy is following TDS policies.

Industry Conditions and Competition

Currently, it can be categorized by products and services as follows:

(1) SIM Products

It is in line with the competition in the communications group, where TRUE currently has more spectrum concessions than its competitors.

(2) IT Products

Market conditions are in line with the same competition as Com7 Public Company Limited, competition conditions based on market information, and competition.

(3) Bill Payment and After-Sales Service

- There are major competitors, such as ATMs, convenience stores, paying via the internet, and automatic bank debit in terms of bill payment.
- In the after-sales service, Double Seven benefited from the growing expansion of TRUE customers. Especially in some provinces, there is an advantage in the branch area that only the Double Seven manages.

Competitive Strategy

There are the operating strategies following TDS policies. Double Seven will manage service efficiency and increase sales ability in TRUE by Com7, with the following strategies.

- 1) Adjust the placement of products to show in front of the store to be more diverse.
- 2) Increase knowledge and sales skills for employees.
- 3) Provide enough products to sell.

Procurement of Products and Services

Double Seven's procurement of products and services is following TDS management policy. Double Seven does not need a warehouse because it does not store its products. Double Seven will manage the product quantity and sell it to the store customers without the risk of impaired or obsolete products because TDS owns all the products in front of the store.

Environmental Impact

As Double Seven operates TRUE by Com7, the Company's business operation does not impact the environment.

6. Prime Solution & Service Co., Ltd.

Products and Services

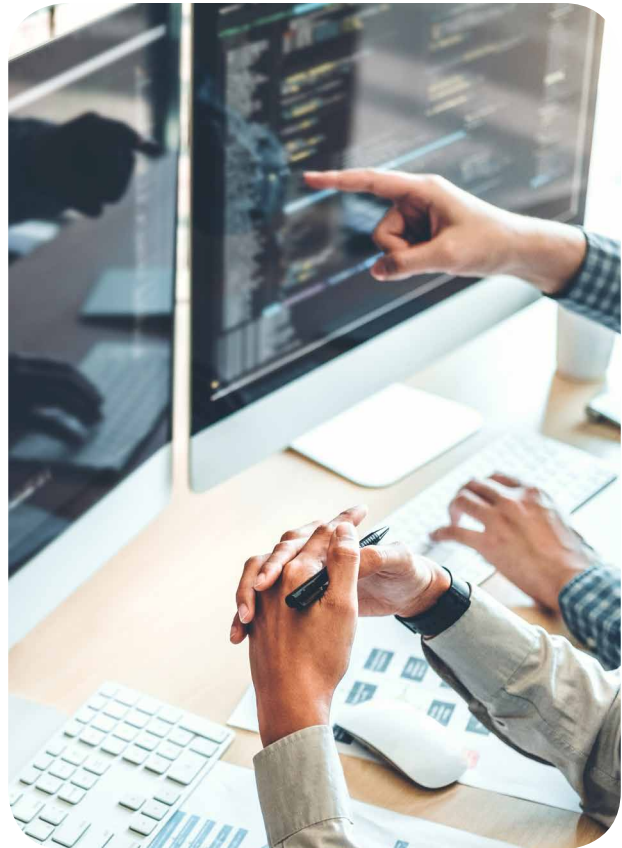
Provide services in system implementation, program development, and system maintenance, including selling a complete range of technology products. The establishment of the company since 2005, it is considered that they have long experience in this business.

Channels of Distribution and Services

It is through direct job offer channels or bidding for projects, depending on the client's rules.

Customers and Prospects

Mainly it is a government agency and followed by the private sector with a proportion of approximately 80:20.



Pricing Policy

Products and services are sold at a rate similar to the standard price in the industry by being able to modify and develop systems and products to meet customer needs, including after-sales service throughout the contract to ensure maximum satisfaction.

Market Conditions and Competition

Submission of a bid will be subject to government regulations. According to the annual budget cycle, there will be projects that tend to expand investment and develop more government agencies and private sectors in the past. With the current business conditions at every organization and company are increasingly switching to technology devices. It will be even more beneficial to the income of the Company.

Besides, the Company has a team of experts who can develop products or systems according to customer needs, including having business partners. Since the Company has been in this business for more than ten years, the Company can procure or plan to meet all kinds of customer needs. There are a wide variety of products and the appropriate semester credit for each project.



7. Thunder FinFin Co., Ltd

Products and Services

Currently, there are 3 businesses:

1. Retail - Manage branches of the OPPO brand
2. Wholesale - Wholesale the OPPO brand products
3. Hire-Purchase - Hire-Purchase IT products for university students

Channels of Distribution and Services

Distribution channels according to the nature of each type of business are as follows:

1. Retail - There are branches in leading department stores and distributed in Bangkok and other provinces.
2. Wholesale - Wholesale OPPO branded products to Com7 Public Company Limited.
3. Hire-Purchase - Customers can apply through the website and at the Ustore at the university.

Customers and Prospects

Customers and prospects according to business characteristics are as follows:

1. Retail - The customer is an individual.
2. Wholesale - Wholesale to Com7 Public Company Limited.
3. Hire - Purchase - Students

Pricing Policy

The pricing policies according to the nature of the business are as follows:

1. Retail - OPPO brand products will be priced from the brand. Other products' prices are determined according to the market price.
2. Wholesale - It is according to market prices.
3. Hire Purchase - The interest rate is usually 1.99% per month.

Market Conditions and Competition

The pricing policies according to the nature of the business are as follows:

1. Retail - Based on the mobile market conditions as Com7 Public Company Limited.
2. Wholesale - Referring to the same mobile retailer of Com7 Public Company Limited by the Group's policy stipulating that Com7 purchase OPPO brand through the Company only.

3. Hire Purchase - The university group competition is relatively less than that of other hire purchase markets. The Company also has the advantage of having the university's service point, including being able to apply through the website, allowing easy access to customer groups. The Company expects to expand the customer group continuously.

Procurement of Products and Services

Sourcing is purchased directly from the brand, including hire-purchase products procured through Com7 Public Company Limited.

Environmental Impact

The Company's business is the distribution and service of IT products. Therefore, it has no impact on the environment.

8. Lorthong Co., Ltd.

It is currently in the process of considering a suitable business plan.



Risk Management

1. Risk Management Policy

The Company realizes that risk management is part of good corporate governance, which is the cornerstone that helps the Company achieve its objectives. Identifying and managing risks helps the Company makes better decisions and sees opportunities, and mitigate significant events’ adverse effects.

The Board of Directors has set a guideline in the risk management policy for operational efficiency. It uses as a management tool that increases the chances of success according to the Company’s objectives (see full policy and guidelines <http://www.comseven.com> under the Investor Relations category). The essence of the policy is as follows:



1

Promote a risk management culture to build understanding consciousness and share responsibility for risks. All management and employees of the Company are at-risk owners, responsible for identifying and assessing the department’s risks in which they are accountable, including setting appropriate measures to manage the risks.



2

Provide a process, guideline, and measure for quality risk management, which is universally suitable and sufficient. It includes identifying, analyzing, ordering, managing, controlling, monitoring, reporting, evaluating, and communicating to provide information about risks and practice the whole company.



3

Operate business under acceptable risk. There is a risk limit to control the damage that may occur to an agreeable level by requiring risk management to be a part of the annual business plan preparation, administration, and decision making.

1.1 Operating Framework

The Company has an appropriate risk and crisis management system based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO), the international standard ISO 31000, including good corporate governance for listed companies in 2017 (CG Code 2017), and anti-corruption guidelines. It helps to increase the Company's confidence to achieve its objectives and goals continuously.

The Company requires a risk assessment that considers risk identification, risk analysis, and risk measurement to meet or manage risks to an acceptable level. Besides, the Company continually monitors and reports on risk management results at all levels to ensure that the Company has a risk assessment, administration, and measures, which sufficient and appropriate to cover operations throughout the organization. As a result, the stakeholders involved in the Company have confidence in the process.

1.2 Risk Management Structure

The Company has established a risk management process and appointed the Risk Management Committee, which consists of executives from various departments responsible for setting policies and assessing risks. Identifying factors may prevent the Company from achieving the specified objectives, including determining impacts and opportunities to consider risk management measures to be acceptable. The Risk Management Committee shall report the risk assessment results to the Executive Committee, the Audit Committee, and the Board of Directors to consider and review at least once a year, and the Board of Directors to consider and review at least once a year.



1.3 Risk Management Guidelines

The Company conducts an organizational risk assessment regularly covering all activities. Risks affecting the achievement of all company objectives must be performed. Details are as follows:

- 1) Timely identify and specify risk and its cause that will affect the target, including agency risk and project risk.
- 2) Assess the likelihood of risks and their effects if events occur.
- 3) Analyze, assess and prioritize risks.



- 4) Manage the risks following its established management guidelines by considering the associated costs and the impact of such risk management.
- 5) Monitor to ensure the Company's risks are handled appropriately. All high and very high risks that may affect the Company's business plans and strategies must be reported to the Risk Management Committee and the Board of Directors.
- 6) If there is a risk that cannot be managed to an acceptable level or a risk management activity that cannot be undertaken in the first half of the year, it must be carried out in the second half. The risk management activities are reviewed and revised to control the budget used, suitable, and more practical possibilities.

2. Risk Factors for the Company's Business Operation

2.1 Risk Relating to the Operation of the Company or the Group of Companies

The Company analyzes the business environment from both internal and external factors, including economic, social, political, technological, industrial, competitor, and other trends to define key risk factors at different levels and consider, analyze, and summarize the enterprise's risk factors level related to business operations and may significantly affect operations as follows:

Business Operational Risk

1) Obsolete Inventory Risk

The Company's primary business is retailing IT products, which it has to maintain an adequate inventory for each of its stores. However, IT products are always evolving and changing in technology to meet the needs of consumers. Therefore, there may be a risk of the Company's inventory being obsolete, resulting in higher administrative costs, and may need to make an allowance for outdated or impaired products that may affect the Company's revenue.

Major Risk Management Measures: The Company uses the ITEC Stock system, which can help manage sales and inventory management. The system can analyze product sales data and each branch's consumer demand, including checking the number of inventories of each unit. Resulting in the Company can know the movement of products, including planning and setting the reserve quantity in each branch. The Company also uses marketing strategies and promotions to help stimulate sales and drain existing products before they deteriorate in popularity. The Company has received special conditions from major distributors and manufacturers for specific models, such as special discounts, exchange obsolete products for newer ones, or compensation for the difference in a price reduction product (Price Protection), etc. It helps reduce inventory obsolescence to some extent.

Also, mobile applications are developed to support various functions from product management, immediate and all-time reports to facilitating the organization's personnel. The program supports both Android and IOS operating systems. Moreover, there is a policy to set an allowance for obsolete product values by type and shelf life to reflect the goods' actual value, including risk management measures in such matters. For example:

- The purchasing and product management department must closely monitor product movements and changes in technology to select and order products in the amount that is suitable for market demand to reduce the risk of obsolete products.
- There are multiple distribution channels to increase opportunities by organizing promotional programs for selling products via e-commerce (BaNANA Store E-Commerce) and arranging the annual Clearance Sale activities.
- There are ongoing trade fairs and product discounts to promote products and services, increase ways to sell products, and build a customer database.

From the above marketing strategy, together with the executives' knowledge, capability, and experience, the Company has little impact from this risk.

2) Business Competition Risk

The Company is principally engaged in importing and retailing IT products such as laptops, desktop computers, mobile phones, tablets, related accessories, etc. It is a highly competitive business whether competition among manufacturers in product development

and continually launching new products to meet consumers' needs as much as possible to compete for market share or competition between distributors who are direct competitors to the Company. The Company earns about 80% of the total revenue from sales of IT products and mobile phones. Suppose there is a situation of intense competition in the market or new entrepreneurs with high potential to compete. In that case, it may have a significant impact on the Company's overall operating results.

Major Risk Management Measures: The Company believes that new entrepreneurs competing in the retail business may have limitations finding a space to sell their products since the same tenants already own each area. Besides, the Company has a good relationship and expertise in managing areas, which can see that the Company has never been terminated from a rental service provider over the years.

In addition, IT products' retail business has a low-profit margin, and each operator will set the same prices for the same products, not much different. The competition in such businesses focuses on comprehensive distribution channels and reaching out to target customers, including building confidence for customers in the quality of the product, impressive service, and after-sales service that customer can trust. As of December 31, 2021, the Company had branches covering 75 from 77 provinces operating under BaNANA, Studio 7, and Brand Shop (general IT products stores, stores selling Apple-branded products, and other branded stores.) Therefore, we can be confident that the Company has a wide distribution channel and can reach target customers at all levels, including having reliable after-sales service. With the executives' knowledge, abilities, and experiences, the Company is ready to be a leader to compete with other operators in the business.



3) Branch Expansion Risk

Since the Company's business is IT products retailing, the main channel for distributing products is in the storefront. Therefore, the Company has a policy to continuously expand its branches to increase opportunities and distribution channels to cover and reach the target customers as much as possible. In 2019-2021, the Company had a total of 788, 911, and 1,000 branches, respectively. The Company is exposed to risks if the new stores' operating results are not as expected or deviating from the projections.

Major Risk Management Measures: The Company has a business expansion unit with experience and expertise to study and analyze return and profitability, branch location, target customer volume, area size, and sales by comparing with similar size branches and monitoring the operating results closely. If there are sales after opening the operation that does not meet the target, the Company will analyze the root cause of the problem to fix the problem or consider moving or closing the branch.

Furthermore, the Company has an expertise unit in overseeing and controlling the process of branch decoration. Therefore, it is not spent too much budget on decorating branches, and most assets are movable. If the branch is relocated, the Company doesn't need to invest in all new assets. The Company will also negotiate to refund the deposit from the shopping center or the landlord. In the past, the Company could request a refund of the deposit, causing damage to the Company in case of having to move or close branches not much. The management's experience and expertise in location selection and branch management reflect its revenue and the increasing number of branches every year. The Company believes that expanding the new branches will provide more channels and sales opportunities to reach target customers and receive a worthwhile investment return.

Management Risk

1) The risk of having a major shareholder holding more than 25%

As of 30 December 2021, the Company's major shareholder is Mr. Sura Kanittaweeul, holding 25.05% of the Company's total issued shares. Such a shareholding has resulted in a group of major shareholders having the power to manage and control almost all of the major voting rights.

Major Risk Management Measures: The Company realizes the importance of a balance of power. Therefore, a management structure has been established to consist of the Audit Committee by selecting and appointing three independent third persons to join the Board of Directors from seven directors to perform the duty of reviewing the work and having a balance of power as a representative of the minority shareholders. It also helps scrutinize essential matters, for example, the reasonableness of related transactions before presenting to the shareholders' meeting. There are measures and guidelines for conducting related transactions with the directors, major shareholder, executive, controlling person, including persons who may have conflicts of interest to create transparency and fairness to all shareholders equally.

2) The risk of relying on the management

The Company's key management has a long business experience, be a visionary in sales strategy, marketing, and considering potential branch locations, including having a good relationship with large distributors, department store, and a shopping center that owns the area. Therefore, the Company may be at risk of relying on the key management for the operation if there is a change in the primary control and unable to recruit qualified candidates, which may significantly affect its operation.

Major Risk Management Measures: The Company is aware of the risk factors from relying on such management. Thus, there is a policy to encourage the Company's personnel to participate in the formulation of its strategy and business plan and promote teamwork to create more potential work efficiency. There is also regular training of personnel to have an additional working knowledge to create personnel with experience and ability to inherit from management. The Company's leading management group is Mr. Sura Kanittaweeul and executives who are shareholders of the Company. Most of them are those who have worked with the Company since starting their business. The Company, therefore, believes that they will continue to work with the Company for the long term.



Operational Risk

1) The risk of IT products being in short supply

The global shortage of semiconductor chip crisis continued to affect from 2020 until 2021 due to the rapid increase in demand for IT products around the world from the coronavirus outbreak (COVID-19). It made companies operating retail IT products facing the situation, IT products, including smartphones, tablets, etc., were in short supply. However, the major manufacturers of various brands accelerated adjusting new product plans and marketing plans to cope with the rising cost management and not cause any product shortage problem.

The Company is intermediary linking manufacturers and distributors both abroad and in the country. Therefore, measures to reduce risk have been established by continually planning product stocks and procuring new brands of IT products to replace branded IT products with limited supplies. Select various IT products by bringing all the popular brands to sell more. Focus on sales, especially for high-volume products, and reduce sales promotions to emphasize substitute profits. Also, the Company attaches importance to the relationship between business partners, doing business with partners like friends, having a policy not to take advantage of business partners, straightforward trading, making payments on time, every time to maintain a balance in doing business between the Company and its major and minor business partners. As a result, the Company has received good cooperation and support in various products and services. Therefore, it is believed that the Company will have sufficient products for sale to meet customers' needs, including planning to distribute to each branch efficiently by considering surrounding factors such as the unit's location, sales history, having sales staff for each brand, etc.

Financial Risk

1) The risk of non-performance of major shareholders' financial support agreement

According to the terms of the financial support agreement that the Company has with the bank, there is a requirement to maintain the shareholding ratio and to hold the position of the leading executive of Mr. Sura Kanittaweekul, who is the Company's major shareholder throughout the term of the financial support agreement. However, the major shareholder has entered into an Undertaking Agreement with the Company, certifying that he will maintain his shareholding ratio as stipulated by the bank and remain the Company's leading executive until the bank agrees to cancel the terms in this matter.

The Company believes that the major shareholders will cooperate in complying with the said requirements for the Company to receive continuous financial support from the bank.

2) The risk of exchange rate fluctuation

Due to the Company has ordered products and some types of IT equipment from abroad. As a result, the Company's order value in 2021 accounted for approximately 5% of the total cost of sales.

In addition, the Company has established measures to reduce risks by operating its business under a conservative financial policy regarding debt-to-equity ratio and controlling foreign exchange fluctuations. There is a forward contract to manage the risks arising from importing products and IT equipment from abroad and measures to request price adjustments according to changes in product prices and exchange rates within the specified timeframe to reduce the impact caused by the import of goods.

2.2 The Investment Risk of Securities Holders

The Company does not issue other types of securities. It has the policy to pay dividends to shareholders at a rate of not less than 40% of the net profit after deducting corporate income tax and allocating legal reserves based on the Company's separate financial statements. However, the Company may consider paying dividends different from the established policies, which will depend on the performance, financial status, financial liquidity, and the need for money to manage the business and expand the Company's business, including economic conditions.

Investors can review the information that may influence investment decisions, such as transactions with connected persons and the investment ratio specified in the investment objectives at the Securities and Exchange Commission Office or via the SEC's Internet network (www.sec.or.th).





Driving Business towards Sustainability

1. Sustainable Management Policy and Goals

The Company strives to be a leader in distributing cutting-edge technology products with excellent service by management from an efficient team. It has applied the concept of sustainability in economic, social, and environmental dimensions merging as part of the organization's development by defining a strategic plan organizational structure, the establishment of systems and information technology, and work process. It allows personnel to create quality work, deliver value through products services, strengthen the Company in the face of challenges to reward and grow with stakeholders sustainably.

Sustainable Development Policy

The Company operates and creates a sustainable growth for the business under good corporate governance throughout the value chain by considering the impact on stakeholders, society, and the environment. The Company believes that conducting business based on sustainability is a significant fundamental that enables the organization to grow permanently. Besides, the Company is determined to operate based on creating positive changes to the community, the environment, and the economy so that the operation is in a suitable direction and benefits stakeholders at all levels. This intention will help promote the function towards sustainability at both the Company and the group level. The Company has established a sustainability policy and practices (see full policies and guidelines through www.comseven.com under the Investor Relations category), with the following details:



1

Adhere to doing business with fairness. Respect human rights and treat customers, business partners, competitors, and labor equally. Be responsible for consumers. Pay attention to the health and safety of employees. Generate awareness and encourage employees to take care of the environment and communities and social development for a better quality of life.



2

Encourage directors, executives, and employees at all levels to support, promote, and operate following the Sustainable Development Policy until it is the operating culture that takes into account the balanced benefits of economic, social, and environmental aspects.



3

Create awareness and responsibility for sustainable development practices to ensure that the Company will develop the economy in line with social, environmental, and stakeholder benefits, including continually promoting responsible operations throughout the organization's value chain.

In 2021, the Company reviewed and revised corporate sustainability development policies and practices, objectives, goals, and sustainable development strategies to be more precise and comply with good corporate governance principles and sustainable organizational development to operate effectively under the goals, objectives, laws, and related requirements.

Under the vision, the Company has established three sustainable strategies set out in the corporate sustainability development policy as a business practice in creating economic value and values for society and the environment. It also affects stakeholders who operate the business alongside the Company sustainably. The Company has set the sustainability development goals and strategies as follows:

Sustainable Development

The Company has established a sustainability development framework based on international action guidelines by analyzing the impact and creating value to create a balance in 3 areas: economy, society, and environment under good corporate governance since the selection of products, resource use, warehouse & transportation management, distribution to customers, consumers, and after-sales services. The Company focuses on the Sustainable Development Goals (SDGs) of the United Nations, numbering eleven main goals, namely 1, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13 following the essential issues of the Company. But at the same time, it also supports six goals, namely 2, 7, 14, 15, 16, 17, to create sustainable value for all stakeholders.



Corporate Strategy

Currently, the service sector faces significant challenges due to the rapidly changing technology, consumer behavior, economic uncertainty arising from external and internal factors, and environmental problems becoming more and more serious. The Company has therefore established strategies to cope with and seek opportunities from the challenges that reflect our values, vision, and mission to generate good returns and stable long-term growth, which its strategy covers three areas as follows:

- 1) The digital age emphasizes making the most benefit of technology and innovation to increase the quality of providing service to customers, for instance, using data to analyze customer needs in digital channels, focusing on sales and service channels in all directions, and managing digital risk. It also improves internal operations and increases capacity for better efficiency and control.
- 2) The business expansion of retail, commercial, corporate customers, service, and online retail focuses on connecting regions with a network of branches covering all areas in the country, which develop by taking advantage of opportunities arising from regional expansion.
- 3) Sustainable Operations (Sustainability) focuses on developing and maintaining human resources, Environmental, Social, and Governance Risk Management, including complete access to services. Adhere to the principles of good governance to create sustainability for the Company and be part of the operation to achieve the country's sustainable development goals.

Sustainable Business Practices

Com7 Public Company Limited has guidelines for conducting business with honesty, transparency, morality, ethics, and adherence responsibility to all stakeholders to benefit sustainable growth. The sustainability concept has been integrated into the Company's business strategy to accommodate long-term risk factors such as changes in population age structure, disparity in many dimensions, environmental & natural resources problems, climate change, and to respond to stakeholders who are expected to have roles and responsibilities in helping to look after and enhance the quality of the environment and society. The Company believes that applying sustainability to its business operations will help create value and good performance sustainably.

Sustainability Strategy (3 Bright)

Com7 Public Company Limited has a concept of selecting innovative IT products, delivering quality products and services, being friendly to the environment, developing, taking care of, and taking responsibility for society and the community creatively. As a result, it will help improve the quality of life, brighten up happiness in life, and benefit all stakeholders.



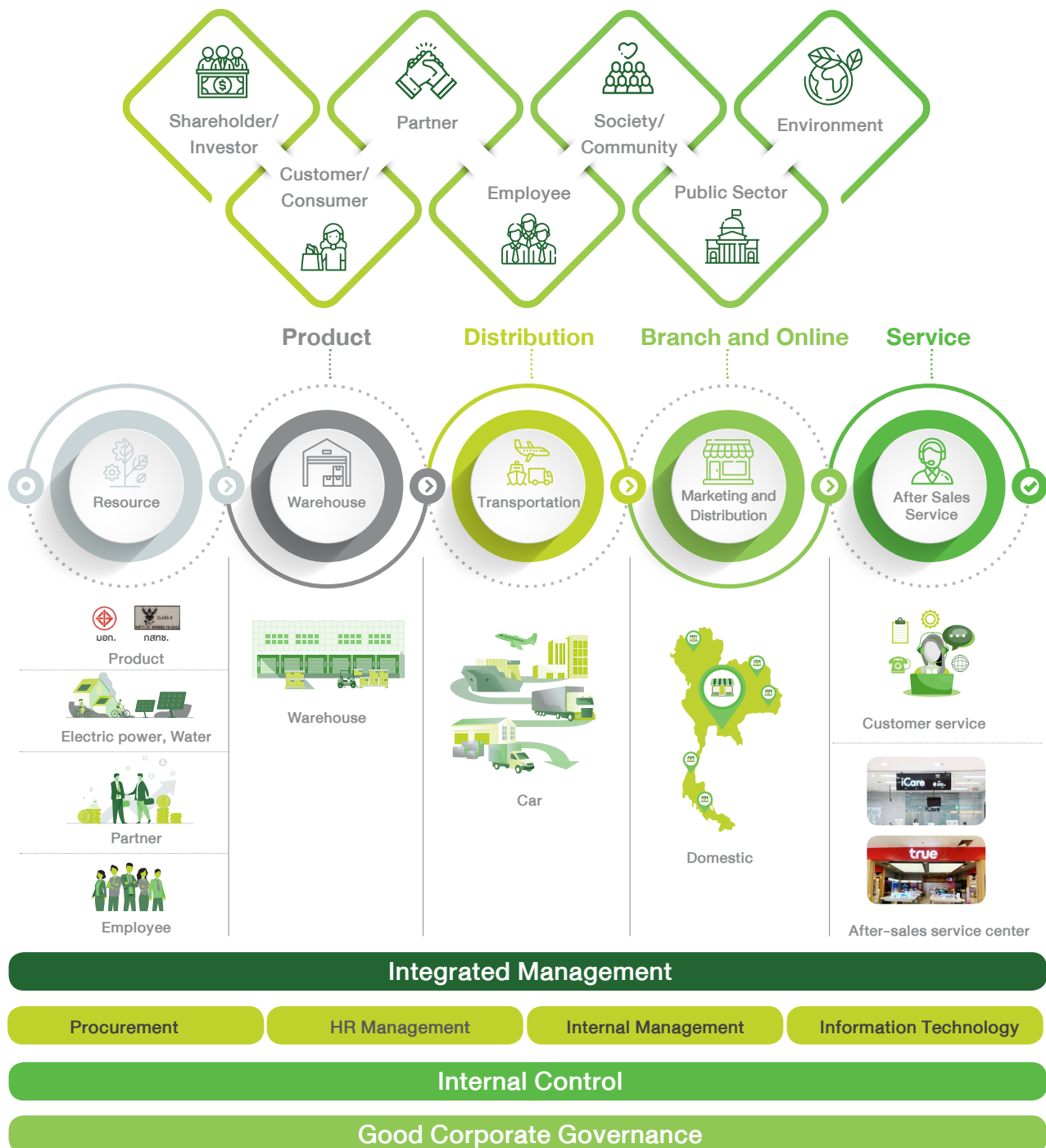
2. Managing Stakeholder Impacts in the Business Value Chain

Business Value Chain Management

Value chain management is an essential strategy for sustainable success in the organization's business operations. The Company places importance on managing every process of the business value chain, which covers the entire supply chain and value chain. It can help improve quality of life and a better environment, including conducting business fairly and being responsible to all groups of stakeholders.

Supply Chain focuses on efficient resource management, reducing costs, increasing efficiency.

Value Chain focuses on creating higher value of products and services to meet customer needs.



• Resource Management

In terms of products, the Company considers IT products to be an essential part of life. Therefore, it attaches importance to procuring domestic and imported products for sale with quality, modern technology, innovation, and customer safety. Furthermore, support for environmental friendliness and reduce greenhouse gas emissions. In addition, products are certified by the Industrial Product Standards (TIS) or passed the inspection and certification of telecommunication equipment and equipment standards issued by the Office of the NBTC. Besides, provide products that meet customers' needs for a new lifestyle (New Normal) and manage inventories to meet the increasing sales and expansion of branches. Furthermore, the Company sells eco-friendly bags that can be reused.

In terms of electric power and water resources, the Company focuses on building a culture of conservation of energy and water resources within the organization by using resources cost-effectively and efficiently, including continuous use of renewable energy.

In terms of business partners, the Company recognizes that partners are the key to building sustainable business strength and attaches importance to the relationship between partners. Conduct business with fairness equality, without taking advantage of business partners, straightforward trade, make payments on time, every time. The Company establishes procurement policies and regulations that prioritize the selection and assessment of suppliers who are socially responsible, environmentally responsible, respect human rights and comply with the law. Besides, develop and encourage partners to act as good citizens, consider social and the environment concretely, and have a direction consistent with sustainable business trends. In addition, invite partners to join the Collective Action Coalition against Corruption (CAC).

In terms of employees, the Company emphasizes treating workers with fairness and equality, respecting human rights non-discriminatory, providing welfare and benefits, promoting a good quality of life at work. In addition, continuously develop and promote employee potential and participation and consider safety, occupational health, and a good working environment.

• Warehouse Management

Warehouse Management, the Company hired Agility Co., Ltd., a leader in logistics and warehouse management from the 4th quarter of 2020 to the present. As a result, cause the Company to reduce the cost of investment in warehouse construction, hire employees in the warehouse, train, and increase the efficiency of distribution of various products to the Company's branches across the country. As for the online warehouse, the Company manages by itself.

Warehouse and Transportation Management of the Company use computer systems and online systems to connect to all Company's distribution channels. Thus, the central staff can receive information about ordering, receiving, shipping, and transferring goods, including the balance of the inventory at any time (Real-Time). In addition, sales of products use a product barcode scanning system and a FIFO incoming product management system, making it possible to know the age of every product model and manage inventories on time.

The warehouse management system has been continuously developed as follows:

1. Supply packing equipment and packaging for transportation to branches or in the warehouse, which can be reused or used the recycled materials.
2. The online warehouse has been expanded to support the increase in sales in the future, along with the continuous development of e-commerce and warehouse management systems.

• Transportation

The Company determines the delivery channels as follows: Com7 Public Company Limited operates the delivery area in Bangkok and its vicinity. For other delivery areas throughout the country, use private transport services outside, such as Next Express Company Limited, Kerry Express (Thailand) Company Limited, DHL Express International (Thailand) Company Limited, etc.

For online ordering, delivery of goods uses a private transport service. Customers can choose the delivery time as follows: Express within 3 hours, Same Day Delivery, Next Day Delivery, Midnight Delivery, and a period of 1-3 days.

• Marketing and Distribution

The Company believes that fair treatment of customers, responsible for the sale of goods and services, and responsive marketing, are the key to lasting customer relationships. Consistency with the organization's culture and values is essential for sustainable business development by;

1. Responsible marketing and public relations to customers and society create good awareness and image of products and services.
2. Have a fair trade competition, considering business ethics and related laws, including building relationships with partners, customers, and consumers on an ongoing basis at reasonable and appropriate prices.
3. Organize promotional activities to deliver products and services with a good experience and focus on creativity. The Company's strategy emphasizes selecting products and organizing activities with Marketplace, either new products or promotions based on events.

The Company has several distribution channels. There are branches nationwide, including stores located in department stores, Community Mall, and StandAlone stores outside department stores, including franchise stores and the Company website (www.bnn.in.th). The Company continues to focus on expanding distribution channels following the change in new lifestyle behavior and the epidemic situation of the coronavirus (COVID-19) continually to facilitate and thoroughly serve customers along with protecting the environment as follows:

1. The Company focuses on online channels that are still growing in line with the e-commerce market by improving website usability www.bnn.in.th to accommodate an increasing number of customers and develop a system that can be linked in retail stores and online via Omni Channel.
2. The Company has a consignment agreement (Consignment) for all types of Xiaomi products that are not products in the smartphone category with all channels in front stores of the True Shop. The Company is the only Company with this right, making it easier for customers to access products.
3. Increase sales channels to 45 branches with Big C and retail stores by selling smartphones and IOT products along with mobile phones.
4. Expand temporary branch in the form of Pop-Up Stores in various areas and StandAlone stores outside department stores in all provinces affected by the store's closing, focusing on a good location and reasonable rent.
5. Sell products by Drive Thru, CHAT & SHOP, and Click & Collect, which customers order products via online channels and can go to pick up the product at a branch near home. It helps reduce traffic problems that are part of pollution.

• Consumer

The Company attaches importance to product quality and customer safety by selecting IT products with modern technology. There are innovations, quality, standards, and safety. The product and service labels are also clearly displayed.

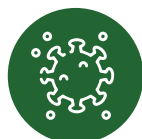
• After-Sales Service

There is a product warranty from the manufacturer to support the replacement and repair of products from leading manufacturers and importers to make consumers more confident in purchasing products from the Company. If the product has problems after purchase, customers can access the repair service at Com7 Public Company Limited's affiliated stores, all branches nationwide, or the "iCare" store, a repair and service center for Apple brand products, and the "TRUE by Com7" offering the True Shop service. Besides, ask for advice on using with employees in every branch.



Sustainability Risk Management

The Company has always focused on sustainability issues to create opportunities and reduce risks that affect the organization's competitiveness, profitability, and survival, including building confidence for stakeholders in all dimensions, economically, socially, and environmentally. In addition, there is the Risk Management Committee responsible for formulating policies, risk management framework, and supervising the risk management following the strategy and goals of the organization. Incorporate sustainability issues into the Company's business operations since the organization's plan and the risk analysis process. Identify key sustainability-related risk factors, such as climate change risk factors, water management, and risk factors from the increasing emphasis on environmental conservation to reduce the impact of uncertainty in the changing business environment. There is a risk assessment of impact analysis, preparing a certification plan, and monitoring risk management systematically and continuously (details can be found in Sustainability Report 2021 full version at www.comseven.com under the Investor Relations category).



- Risk of the COVID-19 Crisis



- Risk of Climate Change
- Risk of Continuous Increasing Environmental Conservation



- Risk of Infringement of Personal Data Privacy or Human Rights



- Risk of Cyber Threat

Stakeholder Analysis in the Business Value Chain

The Company places importance on the participation of all stakeholder groups by communicating and listening to opinions through various channels and bringing stakeholders' expectations into action. The Company recognizes that stakeholder opinions play an essential role in improving the efficiency of the Company's operations to build confidence for shareholders, business partners, customers, and stakeholders under the framework of ethics and code of conduct.

Stakeholders	Stakeholders' Expectations	Fulfilling Expectations	How to Get Involved
Shareholders/ Investors 	<ul style="list-style-type: none"> • Increase competitiveness and profitability. Pay good dividends. • Administrate management and risk management that will affect the Company's business operations both short-term and long-term. • Access to governance information and disclosure. Manage work in a transparent and verifiable manner. • Disclose information, news, and the Company's operating results accurately and on time. 	<ul style="list-style-type: none"> • Develop quality and management strategies of each business to compete effectively, including developing a management system using modern technology. • Analyze, follow, verify, monitor, and prepare measures to manage short-term, long-term corporate risks and new risks that may arise. • Comply with good corporate governance principles. Provide opportunities for shareholders to present their opinions and complaints to the Company directly. • Disclose information correctly following the guidelines for disclosure of information of listed companies. 	<ul style="list-style-type: none"> • AGM • Annual Report • The Company Visit Activities • The Company's Whistleblowing or Complaints Channel • Contact via the Company secretary • The Company Website / E-mail

Stakeholders	Stakeholders' Expectations	Fulfilling Expectations	How to Get Involved
Customers/ Consumers 	<ul style="list-style-type: none"> Get quality products and impressive service. Communicate clear product information. Access to products easily and conveniently. Access easily when customers have problems. Receive and resolve complaints. Treat customers with equality. Respect human rights. Do not take advantage of customers. 	<ul style="list-style-type: none"> Conduct business following morality, ethics, and code of conduct. Distribute quality products that are certified to international standards. Integrate communication channels with customers thoroughly and comprehensively. Develop and expand product distribution channels. Build confidence in customers for products and services, including after-sales service. There is a product warranty. There is a process for receiving customer complaints through many channels and managing quickly and efficiently. Adhere to the principle of treating customers with fairness and equality without taking advantage of consumers. 	<ul style="list-style-type: none"> Annual Customer Meeting Customer Service Center The Company's media, such as newsletters, magazines, and social media The Company's Whistleblowing or Complaints Channel The Company Website / E-mail Customer Satisfaction Survey
Business Partners 	<ul style="list-style-type: none"> Conduct business with honesty, transparency, and fairness. Get quality products and services at fair prices. Do not take advantage of business partners. Pay on time. Be professional. 	<ul style="list-style-type: none"> Declare the intention and become a member of the Thai private sector's collective action against corruption. Operate the business following the Code of Conduct. Create professionalism in business and good alliance. Support and promote business partners who are socially and environmentally responsible. 	<ul style="list-style-type: none"> Annual and Monthly Business Partner Meeting Partner Registration The Company's media, such as newsletters, magazines, and social media CSR Activities Analyst Meeting The Company's Whistleblowing or Complaints Channel The Company Website / E-mail
Employees 	<ul style="list-style-type: none"> Compensation, benefits and appropriate welfare Career Stability Career Advancement Opportunities Good quality of life and safety in the workplace and occupational health Developing skills, knowledge, and abilities to increase work potential Happiness at work 	<ul style="list-style-type: none"> Set compensation, benefits, and welfare appropriately. Set career advancement paths. Annual Employee Engagement Survey Assess employee potential every six months and one year and encourage continuous training and knowledge development. Discuss opinions between heads of departments and employees in the organization. Complaint through Whistleblowing channel Communicate through electronic media within the organization regularly. 	<ul style="list-style-type: none"> Communicate through various channels and online systems within the Company. CEO meets employees Satisfaction and Engagement Survey The Company's Whistleblowing or Complaints Channel The Company Website / E-mail

Stakeholders	Stakeholders' Expectations	Fulfilling Expectations	How to Get Involved
Society/ Community 	<ul style="list-style-type: none"> The Company's business operations must not affect society, community, and environment. Access to technology for all Thai people in society. 	<ul style="list-style-type: none"> Conduct business with prudence and caution to prevent impacts on society, community, and environment. Respect human rights and create social equality. Comply with the law and other requirements or relevant international guidelines. 	<ul style="list-style-type: none"> Organize CSR activities continuously and sustainably. The Company's media, such as newsletters, magazines, and social media Conduct communication activities with the media through all kinds of communication tools.
Public Sector 	<ul style="list-style-type: none"> The Company's business operations must not contravene the relevant laws and regulations. 	<ul style="list-style-type: none"> Comply with the law and other requirements or relevant international guidelines. There is a legal risk assessment. 	<ul style="list-style-type: none"> Report, Letter The Company's media, such as newsletters, magazines, and social media Conduct communication activities with the media through all kinds of communication tools.
Environment 	<ul style="list-style-type: none"> Valuable use of natural resources Reducing environmental impact 	<ul style="list-style-type: none"> Support activities or projects that help society and protect the environment consistent with the business. Manage environment systematically. Use substitute materials. 	<ul style="list-style-type: none"> Social and Environmental Activities The Company's media, such as newsletters, magazines, and social media



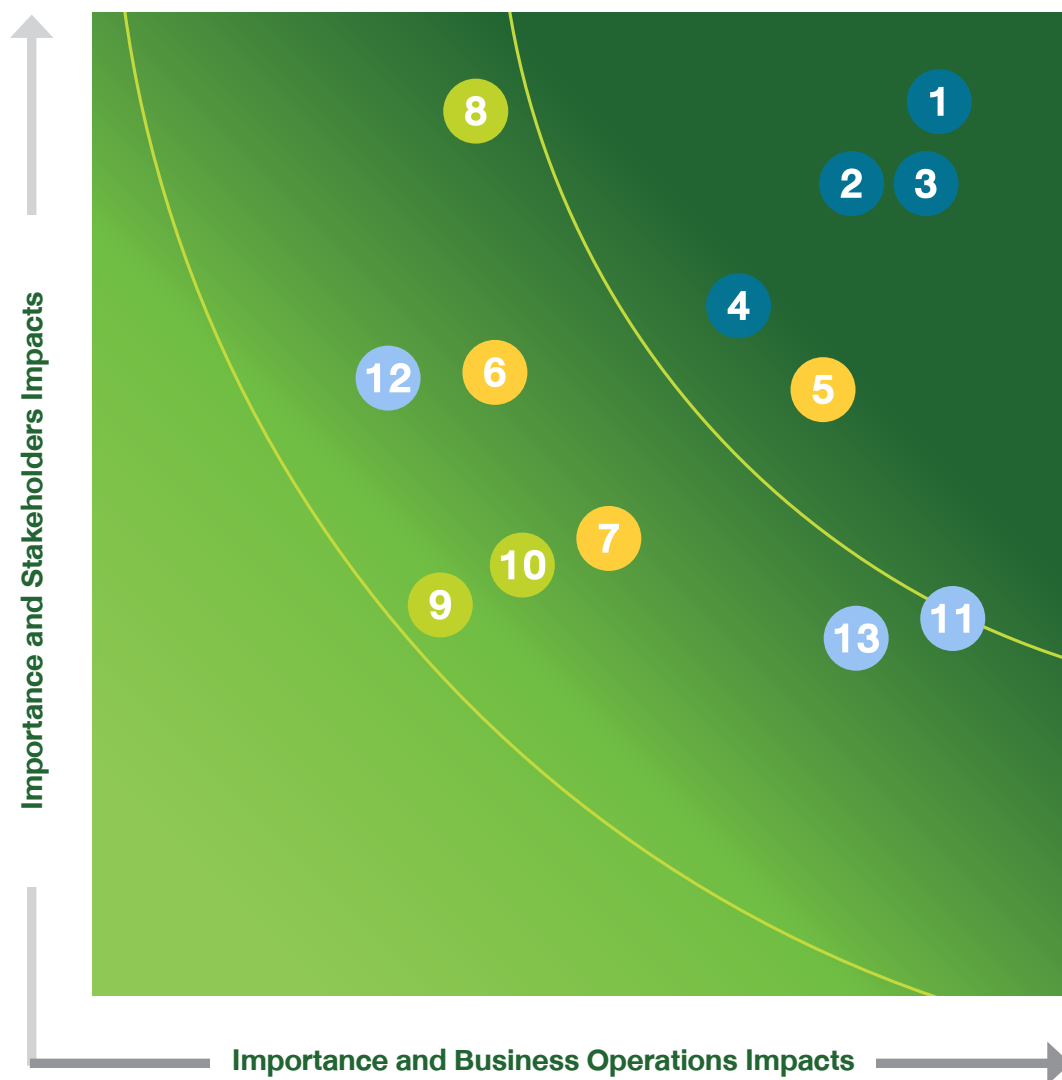
Sustainability Materiality Assessment

The Company is committed to doing business by creating business value and social and environmental responsibility and responding to the expectations of stakeholders appropriately and can concretely measure the results. Therefore, the Company has carried out the process of sustainability materiality assessment as follows:

Materiality Identification and Scope of Reporting



Materiality Assessment Results



Economic Dimension	Social Dimension	Environmental Di-mension	Corporate Governance
1. Good and Stable Perfor-mance	5. Human Resource Management	8. Energy Management	11. Fair Business Conduct
2. Products, Innovations, and Services	6. Community Relationship Man-agement and Social Responsibil-ity	9. Water Management	12. Human Rights
3. Customer Relationship Management	7. Safety, Occupational Health, and Positive Working Environ-ment	10. Waste Management	13. Cyber Security
4. Partner Relationship Man-agement			

According to the evaluation results of all 4 areas of sustainability, there are 13 issues, which summarize the results of operations in each area as follows:

Sustainability Management in Economic Dimension

1. Good and Stable Performance

Revenues

In 2021, the Company had revenue from sales and services 51,126.44 million baht. Increased 13,820.30 million baht from the previous year or 37.50 % (in 2020, revenue from sales and services was 37,306 million baht). The proportion of revenue was divided into retail business 47,078 million baht or 92 % and other distribution channels 4,048 million baht or 8 %. Besides, gross profit in 2021 was 6,845.94 million baht, an increase of 2,135.73 million baht from the previous year or 45.34 % (in 2020, there was a gross profit of 4,710.20 million baht).

In addition, the parent company had net profit in 2021 2,628.48 million baht, an increase of 1,133.62 million baht from the previous year or 75.83 % (in 2020, the parent company had a net profit of 1,490.68 million baht).

Expenses

The Company had selling, general & administrative expenses for the year 2021 3,761.47 million baht, an increase of 775.37 million baht from the previous year or 25.97 % (2020, there were SG&A of 2,986.10 million baht). It was mainly from the cost of sales and services for the year 2021 44,280.50 million baht, an increase of 4,684.60 million baht from the previous year or 11.83 % (2020, there were costs of sales and services 39,595.90 million baht). It corresponded to increased sales in terms of paying taxes to the government in the amount of 554.71 million baht and paying dividends 1,200 million baht to provide returns to shareholders.

Financial Status

The Company had total assets 15,965.80 million baht. It was a current asset 11,886.20 million baht, non-current assets 4,079.60 million baht, shareholders' equity of the parent company 5,284.86 million baht, with liquidity ratio 1.22 times and debt to equity ratio 2.01 times. The Company had high liquidity and a low debt burden from such financial ratios, which showed that the Company had high stability. In addition, the Company provided a continuous dividend payment every year, which was a return on investment for shareholders regularly and over the past period.

2. Products, Innovations, and Services

Commitment and Goals

The Company is determined to be the leader in selling modern IT products with excellent service managed by an efficient team to meet the needs of customers based on creating positive change for the community, environment, and economy to create benefits for all levels of stakeholders. The Company aims to select products that meet the needs of all target groups of consumers and have a variety. Create maximum customer satisfaction.

Management Approaches

The Company pays attention to customer research. Study various IT industry conditions, look for, select, and present IT products that are modern technology, innovation, creative, good quality, variety, standard, safety, enhancing the quality of life to meet the needs of different target customers. Increase access to new products and services. Provide fast delivery within the same day or the next day and good after-sales service. It is to provide customers with the highest satisfaction and give importance to, supporting, and promoting all stakeholders to create environmentally friendly benefits for the community and society.



Performance in 2021

1. Customer Research

The Company analyzes customer behavior and needs from the Company's database coupled with studies and follows up on technology products trends, innovation keeping up with world trends all the time. Therefore, it gives rise to a new perspective to support selecting products and services to meet customers' needs and with the highest satisfaction.

2. Product for New Normal

Nowadays, IT products are essential in life, communication style, work, and lifestyle. The Company, therefore, has a dedicated team that performs product selection and procurement from abroad, in the country, and through internet channels. Although this year, the Company has faced the product segment of smartphones, tablets, computers, and IoT (Internet of Things) devices that are not enough to meet the market demand due to the trade war until the current COVID-19 crisis. However, the Company has a good relationship with partners and measures in selecting effective products. Add more than 10,000 types of variety, covering more than 100 brands worldwide to meet the needs of all target customers following the new way of life sufficiently, including gaining confidence and trust from customers.

3. Eco Friendly Products

The Company focuses on selecting modern IT products along with being environmentally friendly. Provide the best for customers and support manufacturers/partners to use environmentally friendly product packaging that can be recycled.

- For eco-friendly products such as eco-friendly bags, the Company campaigns for reusable and durable bags by organizing the sale of eco-friendly bags in 2021, selling 17,354 bags of eco-friendly bags.
- For greenhouse gas reduction products such as smart gadgets and electric scooters, it uses electric power instead of using fuel, thus, helping to reduce carbon dioxide emissions, which is an important factor that causes global warming.

4. Origin Inspection and Product Safety Standards

The Company attaches great importance to the safety of the products selling to its customers. Therefore, purchasing department works closely with distributors or manufacturers to regularly inspect and obtain product safety certification from regulatory agencies. Besides, prepare product labels correctly according to the Office of the Consumer Protection Board (OCPB) requirements so that customers can know the information of the products. In addition, the Company sells products that are not infringing on intellectual property rights, infringement of copyright, and patents.

In 2021, the Company received ten complaints about product satisfaction, accounting for 6.17% of all complaints. Most of them were product usage problems. The Company pays attention and manages to resolve complaints by finding the cause, clarifying, recommending the correct use, providing repair and claim service, changing, returning, refunding, or procuring products, and delivering products to customers successfully with all complaints.

5. Comprehensive Service

- Modern and Secure Online Ordering System

The Company has invested in technology development, a website, an ordering system, and Omni Channel, which integrates various shopping channels both online and offline so that customers can find products, select to see details of the product, and get convenience in purchasing products. As a result, offer an excellent experience to customers. Provide home delivery service or order online and pick up at a branch near your home (Click and Collect). It helps reduce traffic problems, which are part of the cause of pollution, etc. In addition, customers can be confident in the safety of their online purchases because the Company uses SSL (Secure Socket Layer) throughout every step of the purchase order to prevent abuse of the customer's personal information.

- **Fast and Convenient Delivery Service**

The Company focuses on facilitating customers, hiring a private transport company to provide delivery services within 1-3 days or Next Day Delivery or express delivery within 3 hours for some products. Lalamove Thailand Company Limited and Scootar Beyond Company Limited serve in Bangkok and service areas. In addition, there is a particular delivery service for smartphone products with pre-orders, by Same Day Delivery, Midnight Delivery, including Drive Thru sales.

- **After Sales Service**

Almost all items purchased from the Company carry a manufacturer's warranty with a warranty period ranging from 6 months to 3 years - support replacement and repair of products from leading manufacturers and importers. However, suppose the product has a problem after purchasing. In that case, customers can access the product repair service at Com7 Public Company Limited's affiliated stores, all branches nationwide, or "ICare" shop, a repair and service center for Apple brand products, and "TRUE by Com7", the shop providing True Shop service under the terms of service, including receiving consulting services, instructions for use with employees everywhere.

3. Customer Relationship Management

Commitment and Goals

In the digital age, customers have unlimited access to information, and there are more choices for purchasing goods and services. Therefore, the Company continually focuses on a good relationship with customers. Build customer confidence in the quality of products and services. Create a good image for products and services and customer engagement, including employees who are essential forces that promote sustainable business growth. Therefore, the Company aims to create 100% customer satisfaction.

Management Approaches

1. Use technology in conjunction with personnel to increase service to customers. Build understanding of customer needs and respond to customers' needs in terms of products and services to change from consumer to customer (Customer Loyalty).
2. Develop product and service knowledge, product usage skills, sales skills, and employee communication skills.
3. Raise awareness for employees in accessing, collecting, using, and disclosing personal information, which may damage the owner of the data. It must be protected under the Personal Data Protection Act and universal human rights principles.
4. Continually build relationships with customers by listening to voices, opinions, suggestions, customer needs, and complaints to be used as information for determining sales and marketing strategies, selecting quality products and services, communicating to relevant departments for acknowledgment and improvement of work processes.
5. Proactively analyze the information displayed on various social media platforms to obtain customer feedback and efficiently respond to customer needs.
6. Provide integrated marketing communications, promotion, and product prices are reasonable.

Performance in 2021

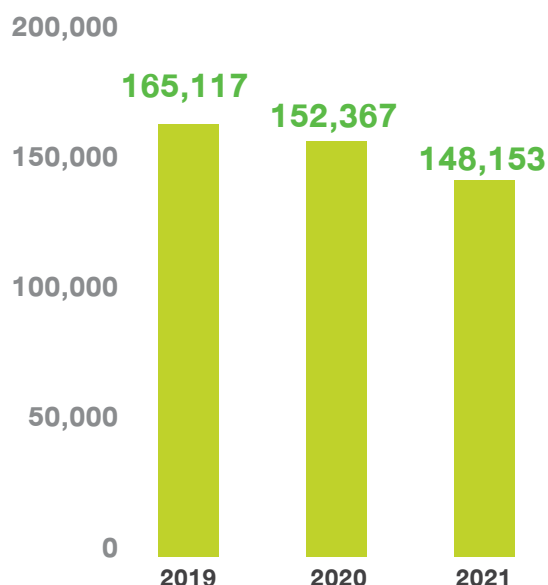
The Company has carried out various activities and projects to create engagement and a good image for the product and organization (CRM) and create a good experience for customers. Make customers decide to buy and come back to purchase or use the service again and tell them about the excellent experience, which allows the Company to expand its customer group effectively.

1. The Company has a team specializing in sales and products sold and experiencing knowledge transfer by setting a training plan following the Company's policy to provide customers the knowledge and specific qualifications of products. Besides, there are sales staff preparation courses to give the employees' sales skills, negotiation, giving advice, product information, service information, how to use it right, and communicate effectively and satisfy customers.

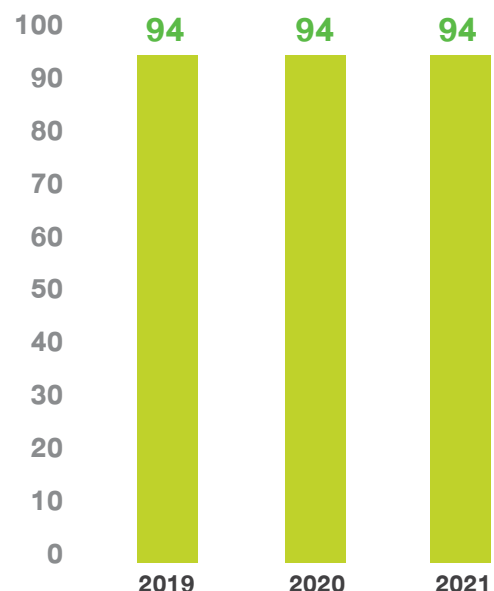
2. Call Center receives complaints through several channels, including telephone, Call Center, E-mail: customer_support@comseven.com, Facebook, Line@, etc., including the following actions:
 - Train new employees about the fundamentals of operations, products, services, and distribution channels to provide accurate and fast customer information, including compliance with the Personal Data Protection Act.
 - Provide practical advice on the Company's products and services for customers' best interest, including accurate, adequate, and up-to-date information for customers.
 - Analyze the information displayed through various social media to know opinions and customer needs, then implement management immediately.
 - Contact with customers with politeness, good-naturedness, enthusiasm, effectiveness, and be trusted.
 - The Company accepts complaints from customers and brings complaints as a guideline for development and communication to relevant agencies for acknowledgment and improvement and contacting customers to acknowledge the improvement results. In 2021, there were 162 complaints. The Company can handle complaints entirely and following the goal that complaints must be closed within 1 hour. Or, if it's the case that takes time to process, have the district manager contact the customer within 1 hour of receiving notice from the Customer Service Center.
3. Customer relationship management by analyzing customer behavior to plan marketing communications for each opportunity that meets the needs of target customers, the Company uses targeted marketing policies such as in-store marketing activities to attract customers to know the store, come to buy products, use various services, return to purchase products and use services of the Company, including using marketing communications and promotions.
4. There are strict measures to build confidence in customers' safety in purchasing goods and using in-store services to prevent the spread of coronavirus (COVID-19).
5. After-sales service, the product warranty supports the replacement and repair of products from leading manufacturers and importers. Suppose the product has a problem after purchasing. In that case, customers can use the service to repair the product at any of the Company's affiliated stores nationwide or the "iCare" store, a repair and service center for Apple-branded products under the terms of service.

Apple South Asia (Thailand) Co., Ltd. has set the Customer Satisfaction (CSAT) indicator for iCare service centers at a level greater than or equal to 90%. In 2021, the Company achieved customer satisfaction at 94%, which passed Apple's criteria.

Number of People Using Repair Service with iCare



Customer Satisfaction (%)



4. Partner Relationship Management

Policy and Guidelines for Partners

The Company has set a policy for employees to treat their business partners fairly, honestly, and without taking advantage. Take into account the Company's best interests based on obtaining fair returns for both parties. Avoid situations that cause conflicts of interest. Also, the Company provides the Code of Conduct for its partners to be a sustainable practice for business partners (see details of the Code of Conduct for suppliers and stakeholders, full version, at www.comseven.com under the Investor Relations category).

Commitment and Goals

The Company realizes the importance of partners who participate in creating value and a good image for products and services. It is determined to do business with business partners with transparency, fairness, adherence to trade conditions, and develop together for sustainable growth. Therefore, there is a target to assess ESG risks for key trading partners and partners who will deal with the Company from 2022 onwards, which must be acknowledged of the Supplier Code of Conduct before registering a seller.

Management Approaches

1. Establish a sustainable, transparent, fair, and accountable procurement policy, including supporting procurement with partners considered environmental impacts, social responsibility, and good governance or good corporate governance.
2. Select and assess potential business partners for sustainable business operations.
3. Disseminate the Supplier Code of Conduct to know the Company's intention to conduct business with integrity, transparency, and responsibility to all groups of stakeholders. Provide public relations communication of anti-corruption policies and practices and encourage partners to join the anti-corruption network.
4. Maintain confidentiality of business partners' information. Do not use it for your benefit or those involved in wrongful ways.
5. Do not demands, receive, or pay any benefits dishonest in trading with business partners. If demanding or receiving or paying any benefits fraudulent happens, must disclose details to partners to resolve problems fairly and quickly.
6. Comply with the conditions strictly agreed. If any conditions cannot be complied with, must notify business partners in advance to jointly find a solution to the problem.
7. Encourage business partners and alliances to respect human rights under the law. Do not accept illegal child labor, forced labor, bonded labor, including promoting knowledge and understanding about human rights violations.

Performance in 2021

In 2021, the Company conducted a supplier sustainability assessment by having key suppliers self-assessment by creating a Supplier Assessment Form and delivering Supplier Code of Conduct for 70 partners and 100% responding partners as targeted. All assessment results were in good - very good criteria. No partners did not pass the performance appraisal and had signed the Supplier Code of Conduct. In this regard, the Company has in place measures to monitor the performance of suppliers in all aspects. From 2022 onwards, there is a plan for all key suppliers to self-assess and receive the Supplier Code of Conduct communication.

The Company builds relationships with business partners by providing appropriate communication with business partners every year. Its purpose is to strengthen relationships and exchange knowledge, information, and relevant market situations as well as news media and various government policies that may affect the business operations of both the Company and its partners to create opportunities for doing business together in the future.



Sustainability Management in Social Dimensions

Social Policies and Practices

The Company has set a policy on the responsibility to the community and society. Take into account the conduct of business according to human rights principles. Emphasize fair and equitable treatment of stakeholders. The Company has laid down the principles and framework of operations policy in employee care, human resource development, safety, occupational health, working environment, and community&social responsibility (see the full policy and guidelines at www.comseven.com under the Investor Relations category).

Human Resource Management

The Company realizes that employees are the heart of the business to achieve its goals and create competitive advantages and sustainable growth.

Commitment and Goals

According to the world trends that are changing technology that occurs rapidly and the spread of the Coronavirus affects behavior and lifestyle of a new way of life (New Normal). It causes the organization to adjust its focus on efficiency in all aspects. The Company places importance on ensuring that employees are motivated to work at their full potential and ready to grow with the organization by focusing on three areas as follows:

Topic	Long Term Goals
1. Manpower Planning and Recruitment	<ul style="list-style-type: none"> Two hundred students from the bilateral program will have joined the Company by 2024. Employ a disabled person per one hundred employees continuously every year.
2. Employee Training and Development	<ul style="list-style-type: none"> Employees at the head office will have received training according to the training plan > 80% by 2024. There will be a successor of 5% of the total head office staff by 2024.
3. Employee Retention	<ul style="list-style-type: none"> Achieve an organizational engagement score of > 80% by 2024. The turnover rate of head office employees won't be more than 20% by 2024. The turnover rate of branch employees won't be more than 35% by 2024. The turnover rate of high potential employees or successors will be less than 15% by 2024.

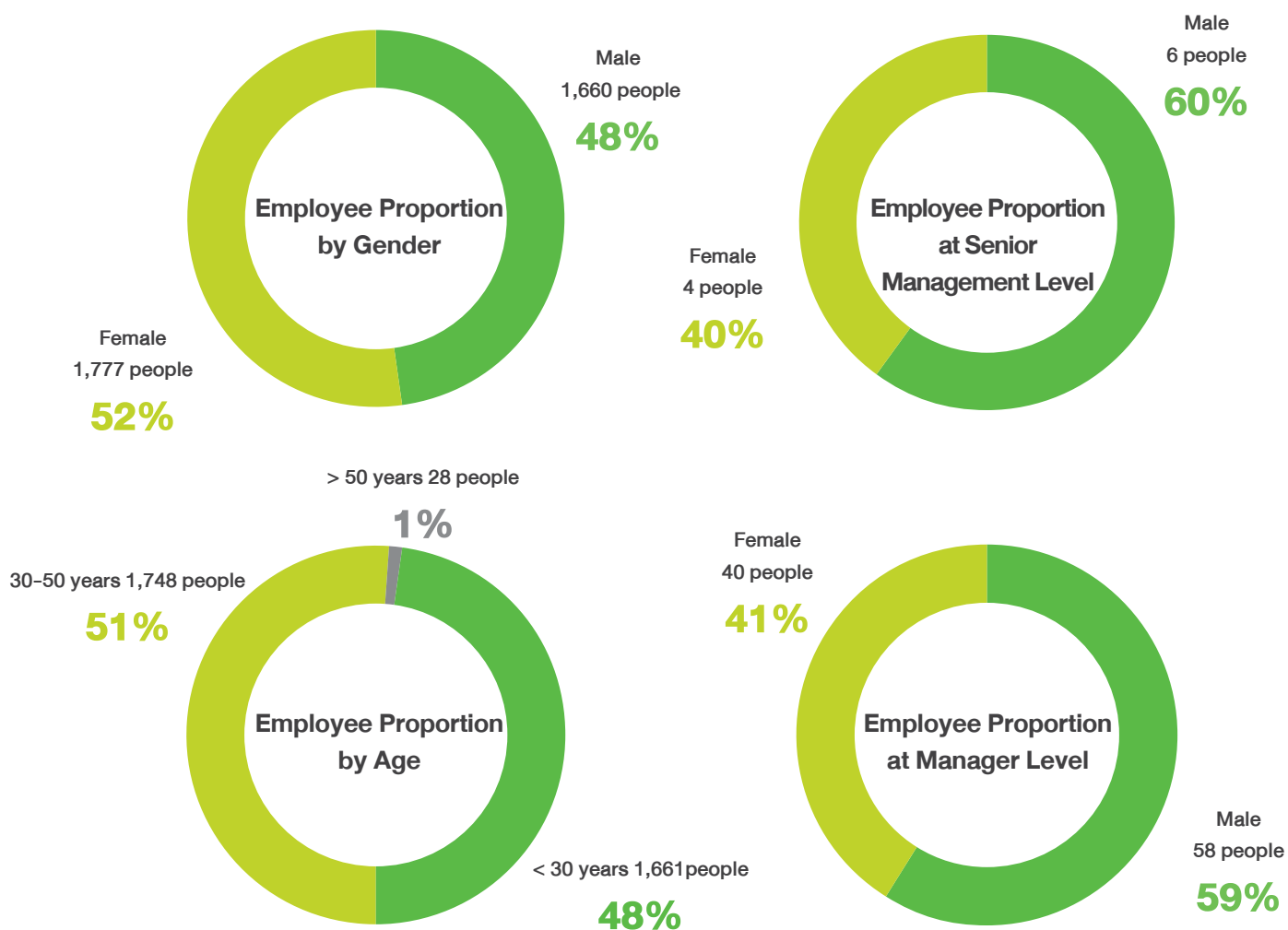
Manpower Planning and Recruitment

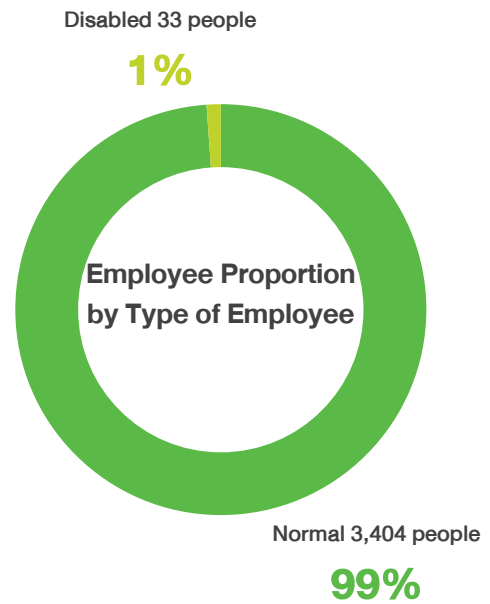
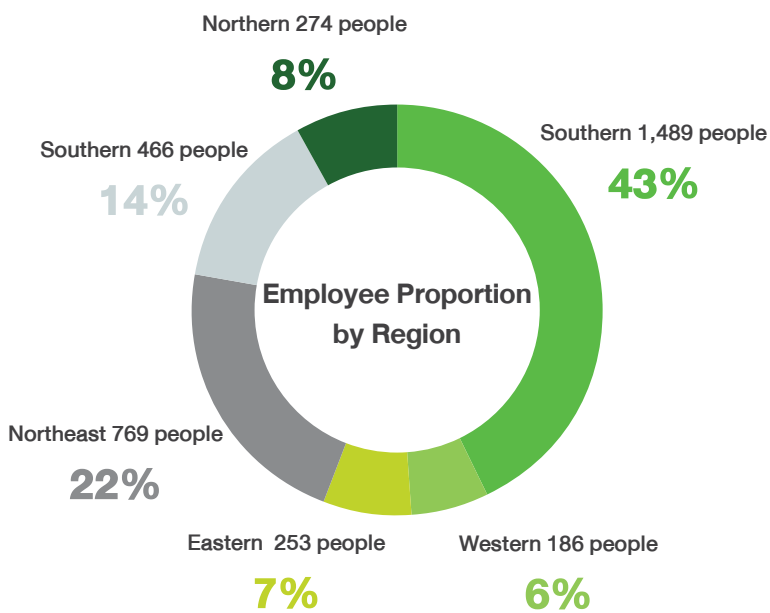
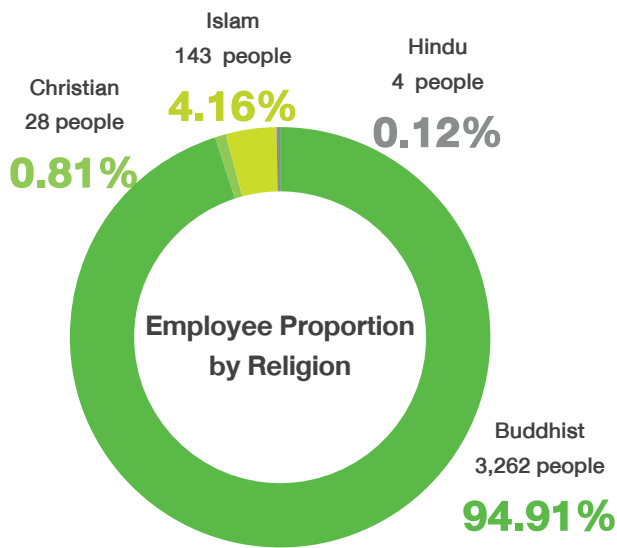
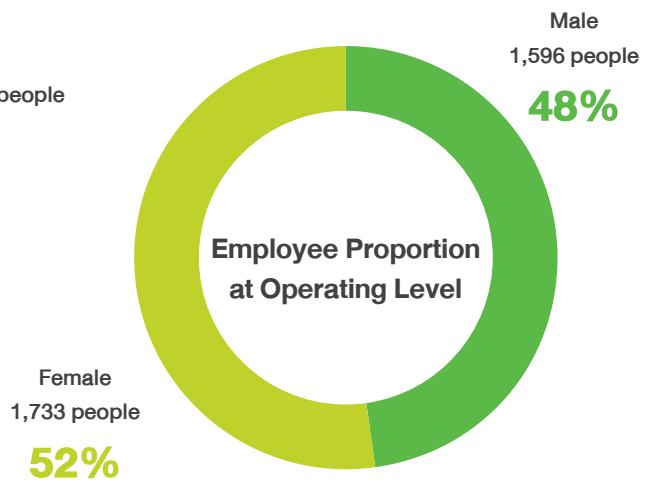
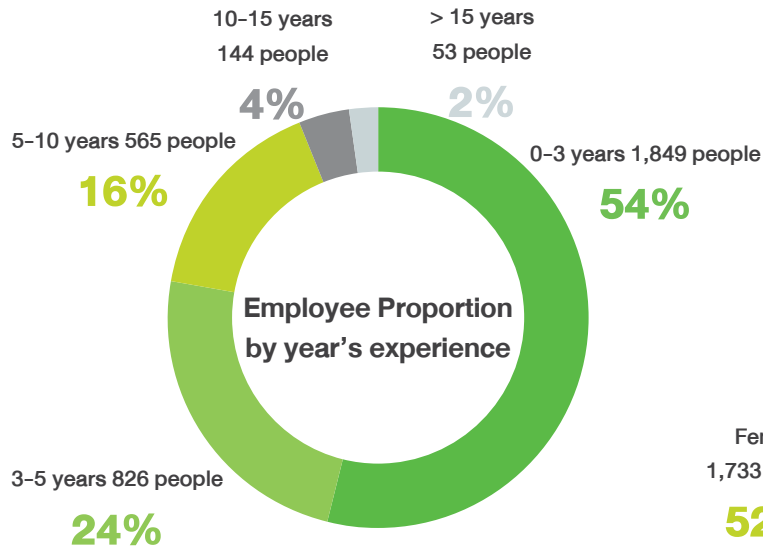
The Company places importance on recruiting knowledgeable personnel and competence suitable for the position, having attributes consistent with values corporate culture. Besides, retain high potential employees along with creating corporate values. Therefore, the Company has recruiting channels through social media and various technologies such as the Company's website, Facebook, Line, Job board, and creating projects to recruit qualified employees, such as the Friends Get Friends Project and Bilateral Project, etc.

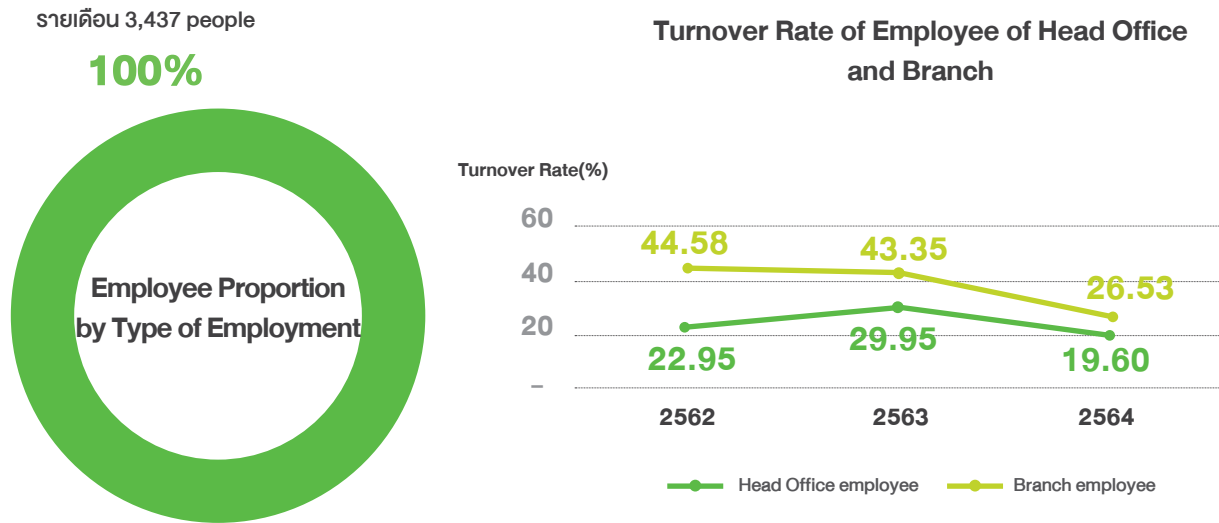
Performance in 2021

Manpower Operations	2019	2020	2021
Recruit New Employees (People)	1,400	1,310	1,301
Transfer of Employees (People)	592	621	799
• Employees Transferred between Departments	89	44	81
• Employees Transferred between Head Office and Branch	16	6	3
• Employees Transferred between Branches	487	571	715

Employee Statistics in 2021







Employee Training and Development

The business environment that has changed to a new way of life (New Normal) causes the Company to accelerate adaptation. Therefore, the Company promotes the development of potential employee competence and attitudes of employees in line with the work of the new era by defining it as a human resource development policy (see full policies and guidelines at www.comseven.com under the Investor Relations category).

The Company has a variety of human resource development and promotion guidelines. In 2021, the following actions were taken:

Employee Development and Training

The Company has prepared a development plan for employees in 2022 at all levels (Training Roadmap), both in the head office and branches. All courses focus on developing Core Competency. It includes the ability to show the organization's work culture, which all personnel should have, and go in the same direction. Also, Managerial Competency is the management ability that personnel in the organization at each level and position need to be used in self-management and subordinates. The courses of training and development plans include both soft skills and hard skills to enable employees to become proficient and have various skills.

In 2021, the Company organized 1,812 training courses for employees, with 81.32 percent of the total employees participating. In addition, the number of training staff increased by 2.57% from the previous year. As a result, the average number of hours was 6 hours per person per year.

Development Plan for Leadership and Talent Management

The Company realizes the importance of preparing for human development to be competent people becoming executives in the future, and being ready to lead the organization to grow, create good things, and generate sustainability.

Development of High Potential Employees

The Company continually focuses on the development process of high potential employees to be able to grow in a career. There are criteria for selecting high potential employees, development process, and comprehensive potential assessment. Those who go through selecting employees with high potential will enter the organization's development process according to the specified program.

Succession Planning

The Company has a high potential development process to plan the succession of essential employees as follows:

1. Review the direction of business operations of the organization.
2. Determine the level at which a successor must be planned.
3. Determine the list of successors and present them to the personnel committee.
4. Assess the level of successors' readiness.
5. Report on potential assessment results and prepare a development plan.
6. Track and report on successor development progress.

The establishment of a development plan aims to strengthen and develop points that hinder career growth. A continuous development model is established throughout the year to build a team of executives (Talents & future leader pipeline) using training principles based on the 70-20-10 ratio concept. The development plan is designed with an important goal that everyone who goes through this project can learn and develop the potential to become a vital force of the Company in the future.

In 2021, the Company selected a group of employees with high potential (Talent Group), representing 5% of the group of head office employees. Some of which are designated as successors of senior management (Successor). There are criteria for selecting from the competency and annual performance appraisals (KPIs) results. Employees in this group will continue training programs to develop their potential in 2022.

Encouraging Employees Ethics

In 2021, the Company disseminated the business ethics, code of conduct, anti-corruption policy, and its guidelines to the Company's directors, executives, and employees continuously through the Company's communication channels, such as campaigning No Gift Policy via public relations screens and tested the understanding of employees in such matters. The results of the employee test passed the criteria 100%.



Employee Retention

The Company cares and values the quality of life of its employees by enhancing the organization of happiness that people can work effectively in a favorable environment and stimulate the creation of new things to create corporate bonds. In 2021, the Company surveyed employee engagement with the organization. There was an engagement score of 70%. The assessment results were analyzed and made a development plan to reduce the turnover rate of employees further.

Performance in 2021

1. Management of Compensation, Welfare, and Other Benefits

The Company has a policy for managing compensation, welfare, and other benefits with all employees equally and fairly. Do not discriminate against employees, including political beliefs and opinions. Provide payment and benefits suitable for economic conditions, cost of living, and according to the Labor Protection Act. The remuneration is determined following the duties, responsibilities, job characteristics, knowledge, abilities, and performance appraisal results.

2. Improve Workplace Environment

The Company aims to be a happy organization. Therefore, the focus is on improving the working area to create a working atmosphere and encourage creativity by providing a fitness room for employees, a football field, a recreation room, and various adequate facilities for employees.

3. Organizational Communication emphasizes building understanding, unity, and having the same goals as follows:

- 3.1 Build relationships between senior management and employees throughout the organization, including various committees through weekly, monthly, and quarterly meetings to know directions, goals, and exchange views with each other.
- 3.2 Provide channels for expressing opinions and information to employees, such as articles, IT Easy Mobile Application, public relations boards, telephone calls, e-mails, letters, Line group, campaigning for various activities, etc.

4. Admiration for Employees Doing Good Deeds

The Company encourages employees to do good deeds without expecting any rewards from all groups of stakeholders to help and benefit society or community, or environment. In 2021, the Company provided awarding the honorary certificates to honor 17 employees who had performed good deeds to build morale and be proud in conducting themselves as role models in society. As a result, it cultivated creativity and continued goodness, including attracting and retaining quality employees to the organization.

5. We Are Com7 We Care

The Company has created the project "We Are Com7 We Care," intending to encourage all employees in the organization to have an awareness of self-interest, friends, organizations, and society through various activities where employees can jointly donate funds, share, help their friends and family who are facing problems. As a result, in 2021, four employees and their families were helped, totaling 169,563.25 baht.

6. Employee Birthday Wishes

The Company aims to promote relationships, love, and unity between employees. Therefore, there is a monthly birthday greeting project to morale and encouragement for employees and make employees feel relaxed from work. In addition, create unity as a group in organizing birthday events at the same time each month. Besides, employees are proud to be the Company's employees.

7. Fighting Against COVID-19

The Company concerns and cares about employees' health by providing a project, "Com7 Fighting against COVID-19", where employees donate money to buy medicines and vitamins delivered to employees who got infected with the coronavirus (COVID-19). In 2021, the total amount of donations was 31,819.68 baht. As a result, it could purchase medical supplies boxes for those infected amounts of 20 sets. The total amount of 11 sets was delivered; the remaining amount was 14,629.68 baht.

Community Relationship Management and Social Responsibility

Social Policies and Practices

The Company formulates a policy on community and social responsibility by promoting community participation, emphasizing communication for coexistence with the community as a good neighbor. Support and promote creative businesses and the development and strengthening of communities for a good and sustainable quality of life. The Company has laid down the principles and framework of operations in the community and social responsibility Policy (see full policies and guidelines at www.comseven.com under the Investor Relations category).

Commitment and Goals

The Company pays attention to the roles and duties, participation in social and community care. It is an essential part of supporting the organization to grow in balance and sustainability and improves the quality of life for sustainable happiness in society and communities. Employees participate in projects to create good awareness of sharing, helping, and sacrificing. The Company sets a goal to create the “My Computer Room” project at least one school per year and the “Bright Smile from Com7” project at least one student per year.

Management Approaches

1. Continuously promote activities that are creative and useful to the community and society.
2. Build cooperation with relevant agencies to implement standards to reduce the impact on the community and society.

Performance in 2021

1. “My Computer Room” Project and “Bright Smile from Com7” Project

In 2021, the CSR activity was organized within the organization “Celebrate PAYDAY No. 5” on December 24, 2021. The objective was for employees to donate items to be auctioned and sold. All income without deducting expenses was provided to the project “Bright Smile from Com7” and “My Computer Room.” As a result, it received a total of 254,742 baht.

- “My Computer Room” Project

It is a project that builds computer rooms for schools in the backcountry by constructing computer school buildings, IT equipment, and setting up a wireless internet system for the instruction. The Company has been implementing this project for the ninth consecutive year and has already provided the computer rooms and equipment for teaching and learning to nine schools. In addition, there is a plan to develop an online teaching system on topics that learners can use for professional use. The Company’s employees rotate to provide knowledge to create participation and further cultivate awareness of working for society.

- “Bright Smile from Com7” Project

It is a project that allows all the Company’s employees to participate in organizing merchandise sales activities and contribute money using to treat children with cleft lip and cleft palate at least one child yearly. The Company has been implementing such projects for the 10th consecutive year, of which 26 patients have already received treatment.

2. Blood Donation Project

In 2021, the Company, together with the National Blood Center Thai Red Cross Society, organized blood donation activities. One hundred nine people donated blood. The amount of blood donated was 49,050 ml. The Company has carried out the project for the 5th year, a total of 9 times. As a result, there were a total of 670 people who donated blood, totaling 301,500 milliliters of blood.

Safety, Occupational Health and Working Environment

Safety, Occupational Health and Working Environment Policies and Practices

The Company has a safety, occupational health, and working environment policy. Emphasis is placed on preventing hazards so that employees and workplaces are free from accidents that may cause work hazards, including promoting and supporting employees' work to be safe. Employees at all levels are obliged to strictly comply with the rules, regulations, requirements of safety standards, and the Company's policies and regulations (see full policies and guidelines at www.comseven.com under the Investor Relations category).

Commitment and Goals

The Company considers that the safety of its employees is the most important. Therefore, the goal of safety at work has been set.

1. Number of fatal accidents: 0 times, 2021-2026
2. Number of injuries resulting in absenteeism: 0 times, 2021-2026

Management Approaches

The Company provides risk assessments in operating processes such as warehouses, transportation, office operations, etc., by preparing a manual on safety at work, communicating, and organizing training for employees as well as raising awareness of safety behavior and culture, risk reduction, and disciplined practice across the organization. In addition, the Company has prepared an emergency plan to prevent and extinguish the fire to prepare for emergencies promptly and efficiently.

Performance in 2021

In 2021, there were no accidents causing injuries to the point of work absence, and there were no cases of accidents leading to death continuing from 2019 to 2020, which met the set goals.

The Company continually develops and improves safety operations to reduce the risk of illness, injury, or death and take care of employees' quality of life appropriately. There are essential operations as follows:

1. The Company has established the Safety, Occupational Health and Working Environment Committee as required by law and set a policy on safety at work. In addition, there is a unit responsible for communicating knowledge to employees, including campaigning about safety at work with follow-up checks.
2. There is monitoring, surveillance, assessment, and hazard control with risk assessment set measures in the environment, improving the working environment, preparing work safety manuals, and communicating to employees.
3. Organize an annual building inspection and measure the working environment.
4. Raise awareness and encourage employees to realize the importance of preventing danger.
5. Install emergency equipment cabinets to provide immediate assistance to emergency patients with phone numbers.
6. Focus on health and hygiene, safe from the coronavirus (COVID-19), such as Work Form Home, etc.
7. The Company provided the annual health check-ups for all employees in 2021.



Sustainability Management in Environmental Dimensions

Environmental Policies and Practices

The Company focuses on business operations and growth and environmental management to reduce the impact on the environment. It is committed to eliminating or reducing pollution to the ecosystem that may arise from the Company's business operations and its stakeholders (see full policies and guidelines at www.comseven.com under the Investor Relations category), with the following essential things:

1. Build an understanding of both the positive and negative aspects of the environment through activities.
2. Promote a culture in the organization that employees are aware of and participate in inventing and seeking ways to reduce the use of resources and energy as well as the emission of waste and greenhouse gases to prevent, control, and reduce the impact on the environment, community and society to a minimum.
3. Promote environmental sustainability within the supply chain by selecting business partners, contractors, and business partners by considering the ability in environmental management and compliance with the Company's environmental policy.
4. It is committed to ongoing environmental action by implementing projects or maintaining processes. The goal is to reduce the environmental impact caused by the Company's operations.

Energy Management

Commitment and Goals

The Company recognizes the importance of environmental responsibility in the event of global warming and limited natural resources. Therefore, it is determined to initiate projects to conserve and use energy cost-effectively for maximum benefit and pass it on from generation to generation by controlling energy usage to use natural resources cost-effectively. Minimize the impact on the environment as much as possible. As a result, it can also reduce the Company's energy costs. The goal for 2021-2024 is to maintain the amount of electricity generated from solar power projects at least 140,000 kilowatt-hours per year (kWh/year) and reduce the amount of energy consumed from the Metropolitan Electricity Authority by 2% compared to the last year.

Management Approaches

The Company has operated and ongoing energy conservation activities with control measures, promotion measures, and support efforts as well as innovate and seek ways to reduce the use of resources and energy, including the emissions of waste and greenhouse gases, to prevent, control, and reduce the impact on the environment, community and society to a minimum.

Performance in 2021

Although the nature of the Company's business has no direct impact on the environment or causes pollution as clearly as some industrial factories or businesses, the Company has given importance and always cares about the environment. In addition, the Company is well aware of global climate change and its impact on lives. Therefore, the campaign has been continuously instilled in the employees to be conscious of environmental responsibility. The objective is to promote resource reduction and recycling of used resources, including finding alternative materials or methods to reduce the use of resources and use materials that reduce global warming. In addition, there are activities for employees to have fun, create awareness, and raise mutual consciousness as follows.

1. Solar Energy Project

In 2021, the Company used electricity from solar energy with the amount of electricity produced of 145,938.69 kWh, meeting the target set. It was the amount that could reduce the electricity bill of 583,754.77 baht. It could also reduce carbon dioxide (CO₂) emissions by 102.16 tCO₂ e/year.

years	Amount of Electricity Produced (kWh/year)	Amount of Electricity Reduced (baht/year)	Amount of CO ₂ Reduced (tCO ₂ e/year)
2017	151,663.79	606,655.15	106.16
2018	145,939.06	583,756.22	102.16
2019	154,408.53	617,634.13	108.09
2020	149,556.92	598,227.67	104.69
2021	145,938.69	583,754.77	102.16

2. Energy Management

The Company uses energy from solar power projects or solar cells. If the production is insufficient, the control device will use electricity from the Metropolitan Electricity Authority to replace it. In 2021, the electricity consumption from the Metropolitan Electricity Authority was 1,579,000 kWh, and in 2020, the electricity consumption was 1,429,000 kWh. There was a 10.50% increase in energy consumption above the energy target set by comparison. It was due to the Company constructing warehouses and opening for use during July 2021. As a result, there was a need to use more energy. The Company instills awareness of sustainable energy conservation by continually educating and campaigning for economic and efficient electricity use.

3. Office Building Design Consistent with Green Building Concept

The Company has designed office buildings following the concept of Green Building designed with the environment in mind. Building construction considers the efficient use of resources, energy, and the environment, including the use of buildings to reduce the impact on the environment and energy consumption. Besides, there is allocation space with quality by adding green areas inside the building, increasing the occupants' quality of life.

Water Management

Commitment and Goals

The Company has given importance to water management within the organization by using tap water for employees' consumption. The Company is constantly trying to reduce its water consumption because it is a valuable resource that must be preserved and used for maximum benefit. Since the Company is located near the community, we are aware of the impact of wastewater discharge caused by the Company's activities. It must be treated to have effluent values that meet the standards set by law. It is the responsibility of the environment that the Company has continuously operated. Therefore, the Company has set a goal for water management 2021-2024, which is to reduce water use by 10% compared to the previous year. In addition, there must be no complaints about the discharge of wastewater from nearby communities.

Management Approaches

The Company uses tap water for employees' consumption. There is systematic water management by encouraging people within the organization to be aware of water use, conserving water, and campaigning for maximum benefit. Require the building maintenance department to regularly inspect the water pipes and equipment and choose to use toilet bowls, faucets, water-saving toilet hoses, etc. The Company has an efficient wastewater treatment system, and the quality of wastewater from the building is within the standards prescribed by law. There is regular maintenance and inspection of the treatment system. It ensures that the effluent is treated before being released to public water sources as required by law. Do not affect the environment to the surrounding communities.



Performance in 2021

1. Water Use Management

In 2021, the Company's total water usage was 7,379 cubic meters. It was the use of water for the consumption of employees. There was a decrease in water usage from 2020, accounting for 47.77 %, because the Company continuously campaigned to reduce water use. Besides, some employees had to work from home in 2021 to prevent the spread of the coronavirus (Covid-19). The average water consumption in 2020 was 47.07 liters/person/day. In 2021, it was found that the average water consumption was 27.70 liters/person/day, of which the average water consumption decreased by 19.37 liters/person/day or 41.15%, which was in line with the specified water use target.

2. Wastewater Management

The Company has installed an efficient water treatment system and has regular maintenance and inspection of the condition of the treatment system. The wastewater from the building is wastewater caused by the consumption of employees in the building, such as excretion, cooking, washing, etc. It has contaminants in wastewater caused by various activities that may cause impacts on health and the environment. Therefore, the Company treats wastewater physically by using a sieve to catch large waste such as wood, plastic, etc. Besides, there is a grease trap that helps to separate fat from flowing into the wastewater. It helps maintain the water condition initially before releasing it to the wastewater treatment system, which will have a clarifier before releasing water into public water sources. From the measurement of the effluent from the authorized agencies, it was found that the quality of the effluent from the buildings was within the standards prescribed by law (building type B). In 2021, the Company did not find any environmental complaints from related parties.

Waste Management

Commitment and Goals

The Company attaches great importance to waste management, which has separated systematic waste into three categories: general waste, recycled waste, and hazardous waste. When recycling waste is separated, there will be less waste that must be disposed of. It reduces energy and resources in the waste disposal and as helping to protect the environment causing less pollution to the world. The Company, therefore, sets a goal to reduce the amount of waste and find products to replace the use of paper crates for packing goods sent from warehouses to branches.

Management Approaches

The Company has a waste sorting process in the office by requiring employees to dispose of waste according to the type of waste, divided into three categories: (1) general waste, (2) recyclable waste, (3) hazardous waste. Different garbage will be separated and stored in the garbage room. In addition, there will be municipal authorities collecting garbage every other day. There is also a campaign to separate waste to make employees realize the importance of waste separation, waste reduction, and bringing the waste to the recycling process.

Performance in 2021

- **Packing Box Management**

The Company has guidelines for storing the paper boxes that contain the products to be able to be reused in transporting goods from warehouses to branches across the country. However, they are not sufficient for use. Therefore, turnover boxes are provided that are durable, strong, and reduce damage to goods that may result from moving instead of ordering carton boxes. After using the turnover box, paper cartons have been reduced by 67,600, compared to the purchase volume of paper cartons before the turnover box.

- **Office Waste Management**

The Company provides trash bins classified by type of waste into three categories: (1) General waste such as food scraps, (2) Recyclable waste such as plastic, paper, etc., (3) Hazardous waste such as surgical masks, Antigen Test Kit (ATK), etc. They are labeled on the bins so employees can easily notice them. Recyclable waste segregation reduces the amount of waste that will affect the environment, causing pollution and germs in the office. In addition, the Company provides bags of used masks for employees before disposing of them in hazardous bins to prevent the spread of germs and easy to store. There is a campaign for employees to be aware of the importance and awareness of waste separation and disposal according to type.

- **Bring Your Own Glass, Get Discount 5 Baht**

The Company encourages employees to bring their glasses to use in purchasing beverages at the coffee shops within the Company. There will be a 5 baht discount for employees who bring their cups. It helps to reduce the amount of plastic glass waste a lot. In 2021, it could reduce the use of plastic cups by 1,567 pieces.

- **“Say No to Plastic Bags Campaign”**

The Company realizes the importance of reducing plastic bag waste in the environment, which is a cause of global warming and affects the entire ecosystem. Besides, we want to change the customers’ behavior to realize their participation. The Company, therefore, has implemented a campaign to reduce and stop giving plastic bags in stores. The plastic bags will be suspended every Wednesday and the 4th of the month. The project was launched on January 1, 2020, to create environmental sustainability for communities, society, and the country.



Sustainability Management in Corporate Governance

Fair Business Conduct

Commitment and Goals

The Company is committed to developing the organization for sustainable growth. Do business legally and adhere to morality and code of conduct. Disclose with transparency and develop internal control systems. There is a good and proper audit mechanism. Operations are carried out with accountability to shareholders and all stakeholders. A board structure, governance, and management mechanisms demonstrate potential and responsibility in matters. The Good Corporate Governance policy has been established in writing, including clear policies and guidelines for all stakeholders (see full policies and guidelines at www.comseven.com under Investor Relations category).

The Company has set a target for the Company's good corporate governance score. According to the evaluation of the National CG Committee, which surveyed Thai listed companies, the level is "excellent."

Fair Competition

Management Approaches

The Company focuses on building business alliances with business partners for long-term sustainable growth. It operates under fair competition rules according to procurement regulations and following the law. Anti-corruption policy and its guidelines have been established, including accepting or giving a gift, reception, or entertainment to prevent claims for benefits beyond the terms and conditions of trade. Besides, do not damage the reputation of competitors by making malicious accusations and not seek confidential information of competitors by dishonest means.

Performance in 2021

The Company has no complaints or disputes about unfair competition.

Respecting the Property Rights of Others

Management Approaches

1. The Company respects the ownership rights of shareholders and equality. Therefore, take care of benefits, support, promote, and give opportunities to all groups of shareholders equally and fairly. The investor relations unit is set up to act as a medium for communicating useful information to shareholders, investors, analysts, and the general public through various channels. Also, there is a policy for disclosure of financial and other information related to the business and operating results of the Company, both financial data and non-financial information, accurately, completely, timely and transparent by disseminating news through the channels of the Stock Exchange and the Company's website.

In 2021, the Company organized investor relations activities as follows:

- Opportunity Day, the Company participated in Opportunity Day to report its performance to investors, analysts, and the media. In 2021, the Company attended four times.
 - Annual General Meeting, the Company held an annual general meeting of shareholders on April 22, 2021, to provide information to shareholders, investors, and acknowledgment of the operating results and asked for information and questions directly from the management.
2. Protect the rights of customers/consumers by distributing quality and safe products, taking into account the environmental friendliness and benefits to the community and society. A product warranty can be replaced in case of quality problems, after-sales service in the repair, keeping contracts and agreements to sell products. Provide caring and responsiveness to needs and customer complaints by establishing a customer service center (Call Center) to take care of customers closely.

3. The Company respects all employees' human dignity and rights without discrimination based on race, religion, gender, etc. Aim for employees to work in peace, help promote work potential, and make the organization grow sustainably.
4. Manage work to make business partners and creditors confident in the financial status and ability to repay debts, including strictly complying with the contract or various conditions. The Company has a policy not to take advantage of trading partners, straightforward trading, make payments on time to maintain a balance in doing business between the Company and its major and minor business partners.
5. The Company respects and does not violate intellectual property. Do not use other people's work for business without permission and not support products or actions that infringe the intellectual property. At the same time, it has inspected and maintained the Company's intellectual property, which does not allow it to be violated or used by other people without permission.

Performance in 2021

The Company had no complaints or disputes about the infringement of the property of others.

Anti-Corruption

Management Approaches

1. The Company has established policies and guidelines against corruption, including creating awareness, values, and attitudes. As a result, it has become an organizational culture that encourages directors, executives, and employees to comply with relevant laws and regulations and do not advocate for the work's success by fraudulent means.
2. The Board of Directors Meeting No. 2/2020 dated May 14, 2020, set a written anti-corruption policy. It is reviewed and revised to comply with the relevant requirements.
3. The Company has established a risk management system and an efficient and effective internal control system, including preventing corruption.
4. The Company and its subsidiaries adopt anti-corruption policy and related regulations as a rule of thumb in business operations to create a corporate culture of rejecting corruption.
5. Provide communication, public relations, and training to educate business ethics, code of conduct, anti-corruption policy, guidelines, and the Company's rules and regulations related to the Company's directors, executives, and employees at all levels on an ongoing basis along with having employees take a knowledge test.
6. Define communication channels to receive complaints or report clues about corruption. There are measures to protect complainants and the verification process. It also has a policy not to demote, punish, or negatively affect employees who refuse to corrupt even if doing so will cause the Company to lose business opportunities.



Performance in 2021

1. In 2021, the Company received a 5-star rating "Excellent," a score of 84%, assessed by the National CG Committee, which surveyed Thai listed companies.
2. Communicate and educate about business ethics and code of conduct, anti-corruption policy, and its guidelines to the Company's directors, executives, and employees to know the correct practices, penalties, whistle-blowing channels, and corruption measures to protect whistleblowers or complaints, including a policy of not demoting, penalizing or giving adverse effects to employees who refuse to corruption even if such actions cause the Company to lose business opportunities. Organize a test to measure the knowledge of employees. The results of the employee test pass the 100% criteria. Also, provide orientation for all new employees on such matters.
3. Communicate and publicize the anti-corruption policy to new business partners and current partners to refrain from giving gifts at every festival. In addition, advertise to the Executive Directors, and employees acknowledge during festivals and occasions through various channels such as the Company website, publicity screen, publicity signs, E-mail, etc.
4. There are complaints and whistleblowers channels. If anyone has a clue about an illegal act, code of conduct, or behavior that may imply corruption or misconduct or received unfairness from the performance of the employees or found a defective internal control system of the Company, can report clues to the Company.
5. The Company received a complaint about corruption through the Company's whistleblowing channel and performed according to the specified procedures, investigated facts, and took disciplinary and legal action. There were also complaints about the service acting inconsistently with the prescribed methods of 7 cases. They have investigated the facts, made corrective actions according to the steps, and successfully improved the said service.

Human Rights

Human Rights Policies and Practices

The Company has set a policy on human rights, gives importance, and respects human rights in all aspects of every individual and society and community following the laws of each country and treaties to each country having obligations to perform. In addition, treat everyone under human rights principles equally without discrimination. The Company has laid down principles and operations framework in its human rights policy (see full policies and guidelines at www.comseven.com under the Investor Relations category).

Commitment and Goals

The Company places importance on respecting the human rights of all groups of stakeholders, which are fundamental rights and freedoms that every human being deserves. It also includes the right to freedom to live together in society happily and equally with respect for human beings' values, dignity, and differences. Accordingly, the Company has targeted the number of complaints or disputes related to human rights violations to zero in 2021-2025.

Management Approaches

1. Set human rights policies and guidelines in the good corporate governance policy.
2. Respect for human rights. Treat each other with respect and dignity and treat each other equally without any distinction in body, mind, race, nationality, religion, sex, language, age, color, education, social status, or other matters.
3. Exercise caution in performing duties to prevent the risk of human rights violations in business operations.
4. Support and promote actions to protect human rights.
5. Communicate, educate, understand, determine guidelines, and provide support to those involved in business operations throughout the business value chain, suppliers, contractors, and joint ventures to participate in ethical business operations and practice following human rights principles.

6. Do not ignore or neglect when seeing actions that constitute human rights violations related to the Company. Report to the supervisor or responsible person for acknowledgment and cooperation in investigating facts. If there are any questions or concerns, consult with the supervisor or person responsible through specified complaint channels.
7. The Company provides fairness and protection to persons who report human rights violations related to the Company.
8. The Company will continually develop and implement the Due Diligence Process.
9. The Company is committed to creating and maintaining an organizational culture that adheres to respect for human rights under the human rights policy.
10. A person violating human rights is a violation of the Company's code of conduct. Therefore, he/she must be considered disciplinary following the regulations set by the Company. In addition, there may be legal penalties if the act is illegal.
11. The Company has provided remedial measures if the Company has committed human rights violations to mitigate human rights impacts that may arise from the Company considering the level of impact.
12. The Company has provided a follow-up process, channels for hearing opinions, and suggestions, both from employees and outsiders, to bring views to review and prevent risks that may violate human rights.

Performance in 2021

1. The Company allows employees to gather together and set up various committees to represent employees in negotiations and give suggestions on matters such as the Welfare Committee.
2. The Company complies with the human rights policy set by the Company by respecting the human rights of all persons and treating everyone equally without discrimination. Promote freedom of association and participation in collective bargaining. Hire disabled people but not use child labor, illegal foreign workers, and forced labor. Strictly comply with the law on employment, remuneration payment, working days and hours, holidays, leave days, etc.
3. The Company has conducted a human rights risk assessment covering its employees. Besides, there are plans and measures to reduce the risk of human rights violations, including supporting and promoting those involved in the business value chain and joint ventures that the Company does not manage to conduct business concerning human rights. In addition, the Company has published the Supplier Code of Conduct and assessed the risks of human rights partners, equality and fairness, professionalism, social issues, and the environment through a partner assessment form. It is intended to cover affected groups or individuals such as children, people with disabilities, employees, forced labor, and illegal labor. As a result, in 2021, the risk was low, and there were no human rights violations.
4. The Company has a policy of non-discrimination and equal employment opportunities. Accordingly, there is the employment of people with disabilities legally and supporting and encouraging people with disabilities to work comparable to that of ordinary people in positions where they can. The number of disabled employees of the Company in 2021 had 33 people or 1.1 percent of all full-time employees.
5. Communicate and educate about human rights to executives and employees to understand the Company's policies and practices. Besides, participate in preventing human rights violations not occurring in the organization's business operations.
6. There were no complaints or disputes related to human rights violations.



Cyber Security

Cybersecurity Policies and Practices

The Company manages cybersecurity under the policies and operating procedures for maintaining the security of information technology systems, which applies to Com7 Public Company Limited, including directors, executives, employees, and third-party service providers who are authorized to access information.

Commitment and Goals

The Company is determined to develop and strengthen the business continuously by using information technology and cyber to increase the effectiveness and efficiency of products and services to access easily, conveniently, quickly. However, at the same time, there are many types of cyber threats that are likely to increase, such as computer virus threats, ransomware threats, threats from phishing, and malware attacks, unauthorized data destruction, etc. The Company realizes the importance of information security of all stakeholders, including information of customers, employees, partners, and other relevant parts. Therefore, there must be a mechanism to prevent unauthorized access to information potentially damaging the business. The Company aims for employees concerned to be aware of and study the data and cyber security policy of not less than 85% of employees in all related departments by 2022.

Management Approaches

The Company attaches great importance to the development and implementation of information technology systems by focusing on information security, cybersecurity, and other information technology security that is also not related to cyber security.

1. Establish procedures for protecting information technology assets and various resources from unauthorized access. Also, set clear policies and procedures for maintaining the security of information technology systems. The Company complies with cyber security laws according to the Cyber Security Act B.E. 2562.
2. There is management, risk management, and contingency plans of information technology systems for various incidents to prevent, detect, and respond to threats and quickly recover. In addition, there is an organizational structure and formulating the organization's strategy following the policy to maintain the information technology system's security effectively. All processes are in line with good corporate governance practices.
3. Provide communication and training to educate employees at all levels to raise awareness of the threat of Cyber-risk behavior, how to prevent and maintain cybersecurity, and the security of information technology systems.
4. Install technology to protect and comply with international standards for information security management systems and international safety practices.
5. Determine measures to control the installation of information systems in the designated areas. Store in the Company's private computer center or network. Strictly monitor and manage system equipment and data access as specified.

Performance in 2021

1. Process
 - The Company defines responsibility for information management, information systems, information security, and cybersecurity belonging to the Chief Information Officer. In addition, there is an information management unit responsible for managing information systems, information security, and cybersecurity based on the International Standard for Information Security Management Systems (ISMS) ISO 27001.
 - The Company complies with the law to maintain cyber security. Prepare policies and procedures for maintaining the safety of the organization's information technology and communication systems according to ISO/IEC27001 standards. There is also risk assessment, risk management, and contingency plans of information technology systems for incidents that might occur (IT Risk Management and Contingency Plan), such as viruses protection failure, main server failure, intruder protection failure, etc.

2. Technology

- The Company has a computer center that meets international standards with a backup computer center that is ready to work and control access for authorized users.
- Strictly adhere to the control measures in the security of information systems and cybersecurity, for example, assigning and reviewing login permissions on a schedule, backing up and restoring data from a crash or disaster, computer security system, etc.
- The Company has updated its computer network to be available to avoid system failures by backing up the network and the server so that the system can work continuously and has the slightest chance of failure. In addition, prevent unauthorized persons from intruding/destroying the network or improper use of espionage.
- Cyber Threat Management, the Company, has installed appropriate technology to perform prevention, detection, deterrent, and alarm functions the unauthorized access to the network or system, such as installing a high-performance computer antivirus, Firewall, Anti-Malware, etc., and updating the version up to date.
- The Company has annual Disaster Recovery Plan testing in the event of a disaster. As a result, it can effectively protect and restore the system, which allows any business or IT activity to continue.

3. Daily Operations and Follow-Up

- The Company has an IT Operation team ready to work, and users can report security incidents or others at any time.
- The security team's operations work through an incident management process outside the existing standards (Incident Management). The objective is to bring the operating system back to normal, which is under the control of the SLA (Service Level Agreement).

4. Personnel

- Raise awareness among employees at all levels on information technology security. Stay up to date with cyber threats and risk behaviors. Some guidelines should follow to cope with cyber threats, which reduces errors caused by ignorance or neglect of the security of computer users within the organization, for example:
 - » Organize training to educate new employees about using the program or application in the orientation.
 - » Communicate cyber risk issues and how to prevent and reduce risks to educate and raise awareness of cyber threats (Security awareness). Regularly provide news to executives and employees via Outlook, Workplace, App IT-Easy, and post on the public relations board, for instance, the cyber security awareness course, managing the organization with the social network, how to use public WiFi not to get hacked, think before clicking phishing mail, five tricks to catch fake app pontoons, notification Email users due to spam mail found, etc.
- The Company attaches great importance to the security work team by supporting and promoting training, examination, and certification by international standards such as Certified Information Security Manager (CISM), Certified Cloud Security Professional (CCSP), etc.

The Company has prepared the full version of the 2021 Sustainability Report. More details can be found at www.comseven.com under the Investor Relations category.



Management Discussion and Analysis (MD&A)

Overview

World Economic Outlook in 2022

The Office of the National Economic and Social Development Council reported that the Thai economy in 2022 would likely recover steadily from a low base expansion in 2021, driven by the growth of domestic demands. Therefore, although facing the epidemic of the Omicron species, it was likely to have a limited impact on the public health system in the first quarter of 2022. As a result, the government could ease the measures to control the outbreak accordingly. In addition, the economy would receive significant support from the recovery of the service sector, especially the tourism sector, due to the easing of measures to accept foreign tourists and the continuous expansion of product exports in line with the economic and world trade volume.

Meanwhile, the epidemic of the Omicron has rapidly spread and become a global dominant strain since late 2021. As a result, the number of infections rose to record highs in several countries during January and February 2022, including the United States, France, the United Kingdom, South Korea, and Japan. However, it did not cause severe symptoms, reflected by the low average of severe illness and death rates. Besides, it included progress in the vaccines' distribution and the adaptation of people and businesses in dealing with the outbreak. As a result, various countries did not implement the same rigorous outbreak control measures as the previous wave of epidemics. Therefore, each country's economic activities were expected to continue during the rest of the year.

Major Events in 2021

○ Quarter 1

In the first quarter of 2021, the Company continued to expand its channels by focusing on the excellent location and reasonable rental fees to support the growing demand of customers to cover all areas in the primary and secondary districts. In terms of product management, the Company still had sales growth in all categories, such as products related to Work from Home, Learn from Home, and Cryptocurrency, significantly increasing the demand for the product. Therefore, the Company accelerated the procurement of products and managed the inventories to meet the increasing sales and branch expansion, including preparing to bring new products to add to the portfolio to meet the needs of consumers. The overall view of Apple brand products, laptop products, DIY products, and smartphone products, the Company still viewed that it could grow continuously. Even during the COVID-19 epidemic situation, it was still a target for the Company to increase sales. In terms of franchises and online markets, the Company still had plans to expand the franchise business and more online market penetration.

○ Quarter 2

In the second quarter of 2021, product sales grew in all segments, especially in the iPhone, iPad, Smartphone section, resulting in the accessories section also selling well. As a result, the Company continued to focus on the strategy of selling accessories and

the main product. However, the Company tried to maintain continuous sales growth compared to the previous year, Q2/2020, with the Lockdown period. As a result, there was a temporary closure of shops selling goods, service centers, and the group's services in some department stores, shopping centers, and community malls. Although last year sales declined due to the closure of branches following the government measures, sales increased back in the month of opening because IT products were essential in daily life.

Sales from online channels were still the Company's focus and grew according to the e-Commerce market. In the strategy, the Company focused on product selection and organized activities together with Market Place, whether it was new products or promotions according to events. Besides, in the part of the Company website www.bnn.in.th, it improved efficiency and had more customers all the time. As a result, customers remembered and came back to buy products continuously at the branch. Therefore, it could be seen that the Company developed a system to connect the retail and online sectors via Omni Channel, according to the Company's policy planning well.

○ Quarter 3

At the beginning of the third quarter, the COVID-19 epidemic situation became more severe and spread widely. As a result, it led to the implementation of lockdown measures in the dark red area, including 29 provinces, along with enforcing intensive measures, such as closing time for convenience stores, department stores opening only supermarkets, restaurants, pharmacies, banks, and COVID-19 vaccination services as well as asking for cooperation with Work From Home 100%.

The Company saw the importance of adapting to the situation after announcement of the closure of the department store. Therefore, we temporarily expanded our branches in Pop Up Store and Stand Alone with 54 units, focusing on opening stores in provinces where the storefronts were closed in order to cover the area and maintaining as many sales as possible, which received a good response. Furthermore, after the announcement of the cancellation of the lockdown, we also viewed an opportunity for temporary branches with good profit potential. Thus, the above-mentioned branches were reshaped to be permanent Stand Alone stores, totaling 17 branches.

In terms of stock management, the Company foresaw the shortage of products during the COVID crisis. Then, we adjusted the order to meet the demand. As a result, although more orders were added, we maintained good stock management, resulting in fewer obsolete products.

The increase in the number of branches this year and the lockdown measures in 29 provinces were therefore considered to affect the Company's sales less than last year, during the same period when the lockdown measures had more areas and branches closed. The Company could manage favorably in the situation of COVID-19 after having experienced the store's closing many times. There was an opening of Pop Up Store, organizing Booth, opening Stand Alone, and expanding more businesses.

○ Quarter 4

In the fourth quarter of 2021, an overview of the Company's branch expansion and strategy during the COVID-19 epidemic situation and Omni Channel sales, the Company distributed branches to cover all forms and areas, including Stand Alone, franchise, including effective storefront management strategies, corresponding to sales through online channels. Additionally, cooperation with various trading partners to help promote sales, such as credit approval for in-store purchases and various credit card promotions, resulted in the Company's continued and consistent growth in sales.

In terms of product management, the Company planned and arranged various matters very well. There were improvements in the warehouse and freight forwarding to support sales growth and continuous expansion of branches, including the shortage of goods from production and transportation. There was an efficient allocation, distribution, and stock-up of products. It could be seen from sales growth and sales management during reserving and new product launches.

In terms of product category, the Company continued to grow in sales in all segments, especially in the iPhone that sold well in current and previous models, including increased sales of iPad and other smartphone brands. As a result, the accessories section also sold well. The Company focused on the strategy to sell accessories and the main product or SIM activation, which would help result in the Company's better profits.

The Company also focused on expanding in other distribution channels, such as providing hire-purchase loans for IT products and being a wholesale distributor of mobile and IOT products to business partners. In 2022, the Company expected the various channels mentioned above would increase sales. Besides, the Company still looked for suitable investments in other businesses to expand more distribution channels.

Summary of Operating Results in 2021

The Company's operating results in 2021 of total revenue were 51,251.1 MB or an increase of 36.8% of 2020. Profit attributable to the parent company was 2,630.4 MB or a rise of 76.5% compared to the previous year. The Company's continued growth reflected adaptation to various situations, whether the branch expansion, opening new distribution channels, and expanding the business in different related formats as well as store management and product selection. As a result, the Company had confidence in its continued and stable growth.

Performance Overview 2021

The operating results of COM7 Public Company Limited (the Company) and its subsidiaries, according to the consolidated financial statement of 2021 compared to the same period of the year 2020, details are as follows:

Total Revenue	equal to	51,251.1 MB.,	increased by 36.8%
Gross Profit	equal to	6,845.9 MB.,	increased by 45.3%
Profit owners of the parent	equal to	2,630.4 MB.,	increased by 76.5%

Statement of Comprehensive Income (Consolidated)

	2021		2020		Compare
	MB.	%	MB.	%	YoY%
Revenue from sales and services	51,126.4	99.8%	37,306.1	99.6%	37.0%
Cost of sales and services	44,280.5	86.4%	32,595.9	87.0%	35.8%
Gross profit	6,845.9	13.4%	4,710.2	12.6%	45.3%
Other income	28.2	0.1%	46.8	0.1%	(39.7%)
Share of the profit of investments in joint ventures	96.5	0.2%	101.0	0.3%	(4.5%)
Total revenue	51,251.1	100.0%	37,453.9	100.0%	36.8%
Selling expenses	2,913.5	5.7%	2,347.6	6.3%	24.1%
Administrative expenses	847.9	1.7%	638.5	1.7%	32.8%
Loss (Gain) from exchange - Net	(21.9)	0.0%	(4.3)	0.0%	409.3%
Profit before finance costs and income tax expenses	3,231.1	6.3%	1,876.2	5.0%	72.2%

	2021		2020		Compare
	MB.	%	MB.	%	YoY%
Finance costs	47.9	0.1%	53.1	0.1%	(9.8%)
Profit before income tax	3,183.2	6.2%	1,823.1	4.9%	74.6%
Income tax expense	554.7	1.1%	328.2	0.9%	69.0%
Net profit	2,628.5	5.1%	1,494.9	4.0%	75.8%
Profit owners of the parent	2,630.4	5.1%	1,490.7	4.0%	76.5%

Revenue from sales and services

At the end of 2021, there were a total of 1,000 branches under the management of the Company's Group, which divided into BaNANA 372 branches, Studio7 114 branches, KingKong Phone 83 branches, True shop by COM7 125 branches, Franchise 128 branches, BKK 37 branches, iCare 30 branches, and others 111 branches. There was an increase of 89 branches from last year (2020: 911 branches). The Company has divided the distribution channel into 2 types as follows.

Revenue structure categorized by business group

Business Group	2021		2020		Compare
	MB.	%	MB.	%	YoY%
Retail Business	47,078	92%	34,877	93%	35%
Other distribution channels	4,048	8%	2,429	7%	67%
Sales and Services Revenue	51,126	100%	37,306	100%	37%

1. Retail Business

Overview from branch expansion and the Company strategy during the COVID-19 outbreak and Omni Channel sales, the Company distributed branches to cover all forms and areas, whether it was stand-alone, franchise stores, and strategies with effective storefront management. It was in line with sales through online channels, including collaborating with various trading partners to help promote sales, such as credit approval for in-store purchases and various credit card promotions. As a result, the Company had continued and consistent growth in sales.

In terms of product management, the Company improved management in transportation and warehousing by adjusting the allocation, distribution, and stocking up products. Although there was continuous growth from sales and branch expansion and the shortage of goods from production and transportation, the Company planned and handled things well. It could be seen from the sales growth and efficient sales management during reserving and launching of new products.

In terms of products, there was a growth in sales in all groups, especially the iPhone, which was the best seller in both the current and previous models, the increase in sales of products, both iPad and other smartphone brands. As a result, the accessories section was also selling well. The Company continued to focus on the strategy to sell accessories and the main product or SIM activation, which would help result in better profits for the Company.

2. Other distribution channels

The Company focused on expanding in other distribution channels, such as providing hire-purchase loans for IT products and being a wholesale distributor of mobile and IOT products to business partners. In 2022, the Company expected the various channels mentioned above would increase sales. Besides, the Company still looked for suitable investments in other businesses to expand more distribution channels.

Gross profit

Gross profit for 2021 was 6,845.9 MB, increasing from 2020 by 2,135.7 MB or 45.3%. The gross profit margin for 2021 was 13.4% compared to 2020 was 12.6%. The increase was due to arranging promotion during the lockdown period. At present, the Company has planned and adjusted the policy until it can maintain normal gross profit. In addition, the products are prepared with a strategy to adapt according to different situations.

Selling and Administrative expenses

Selling expenses for 2021 were 2,913.5 MB, increasing from 2020 by 565.9 MB or 24.1%. It grew in line with higher sales. However, the proportion compared to total revenue decreased by 5.7% compared to 2020 at 6.3%. It was due to the Company's ability to maintain sales growth with efficiency compared to controlling expenses of the existing stores and in-branch expansion.

Administrative expenses for 2021 were 847.9 MB, increasing from 2020 by 209.4 MB or 32.8%. Due to this year, the Company restructured to accommodate the upcoming tasks such as inventory management and logistics management in online businesses, sales of goods in the form of B2B, hire purchase business, and personnel development. In addition, there was the development of various systems to support the Company's plans for continuous growth.

Finance Costs

Financial costs for 2021 were 47.9 MB, a decrease of 5.2 MB or 9.8% from 2020 due to the Company's cash management and lower interest rates.

Net Profit (owners of the parent)

Net profit for 2021 was 2,630.4 MB, or 5.1% of the total revenue, an increase from 2020 by 1,139.7 MB, or 76.5% from all of the above mentioned.

Statement of financial position (Consolidated)

	2021		2020	
	MB.	%	MB.	%
Cash and cash equivalents	1,656.9	10.4%	872.2	9.5%
Financial asset measured at fair value (profit or loss)	193.7	1.2%	249.2	2.7%
Trade and other receivables	2,707.3	17.0%	864.3	9.4%
Trade receivables under financial contracts	462.5	2.9%	37.6	0.4%
Inventories	6,207.9	38.9%	3,664.4	39.8%
Other current assets	657.9	4.1%	173.0	1.9%

	2021		2020	
	MB.	%	MB.	%
Total current assets	11,886.2	74.4%	5,860.7	63.7%
Trade and other receivables	237.2	1.5%	-	-
Trade receivables under financial contracts	97.4	0.6%	48.1	0.5%
Investments and Financial Assets	773.7	4.8%	675.0	7.3%
Property, plant and equipment	614.9	3.9%	505.7	5.5%
right-of-use assets	1,186.4	7.4%	1,265.2	13.7%
Other non-current assets	1,170.0	7.3%	852.0	9.3%
Total non-current assets	4,079.6	25.6%	3,346.0	36.3%
Total assets	15,965.8	100.0%	9,206.7	100.0%
Short-term loans from financial institutions	3,801.0	23.8%	1,282.5	13.9%
Trade and other payables	5,105.8	32.0%	2,464.4	26.8%
Lease Liability	524.6	3.3%	498.1	5.4%
Other current liabilities	319.6	2.0%	184.9	2.0%
Total current liabilities	9,751.0	61.1%	4,429.9	48.1%
Total non-current liabilities	914.0	5.7%	906.0	9.9%
Total liabilities	10,665.0	66.8%	5,335.9	58.0%
Total shareholders' equity	5,300.8	33.2%	3,870.8	42.0%
Total liabilities and equity	15,965.8	100.0%	9,206.7	100.0%

Total Assets

As of December 31, 2021, the Company had total assets of 15,965.8 MB, an increase of 6,759.1 MB or 73.4% compared to the end of 2020. It was mainly due to the rise in inventories. Other essential aspects were as follows:

Cash and Cash Equivalents

As of December 31, 2021, the Company had cash & cash equivalents of 1,656.9 MB, an increase of 784.7 MB or 90.0% compared to the end of 2020. It was in line with the Company's appropriate cash allocation and supported the Company's growing business.

Inventories

As of December 31, 2021, the Company had inventories of 6,207.9 MB, an increase of 2,543.5 MB or 69.4% compared to the end of 2020 due to the Company supplied goods sufficient for sales and expansion of more branches.

Trade and Other Receivables

As of December 31, 2021, the Company had trade and other receivables of 2,707.3 MB, or 213.2% compared to the end of 2020. It was due to the Company expanding its business in credits with the partners and earning more sales promotion fees.

Total Liabilities

As of December 31, 2021, the Company had total liabilities of 10,665.0 MB, an increase of 5,329.1 MB or 99.9% compared to the end of 2020. It was mainly due to short-term loans and trade payables. Other essential aspects were as follows:

Short-Term Loans from Financial Institutions

As of December 31, 2021, the Company had short-term loans from financial institutions of 3,801.0 MB, an increase of 2,518.5 MB or 196.4% compared to the end of 2020. It was due to the purchase of goods to be sufficient for operations.

Trade and Other Payables

As of December 31, 2021, the Company had trade and other payables of 5,105.8 MB, an increase of 2,641.4 MB or 107.2% compared to the end of 2020. It was due to the purchase of goods to be sufficient for operations.

Liquidity Ratio

The Company's liquidity mainly came from the ability to turnover inventories, accounts receivable billing, and repayment to the trade payables. For 2021 and 2020, details were as follows:

Liquidity Ratio	Unit	2021	2020
Day Sales Outstanding (DSO)	DAY	13	9
Days Sales of Inventory (DSI)	DAY	41	48
Days Payable Outstanding (DPO)	DAY	31	33
Cash Cycle	DAY	22	24


DSO : In 2021, the Company's average debt collection period was increased from new business.

DSI : In 2021, the Company had a declining period of sales of products. As a result of customer demand for products, they could sell products faster.

DPO : In 2021, the Company's average repayment period was reduced due to the increase in sales. The credit term with partners remained the same.

Contact Com7 Investor Relations

ir@comseven.com or Tel: +66 2017 7777 Ext. 7710



General Information and Other Significant Information

1. General information

Company

The Company name	:	Com7 Public Company Limited
Symbol for trading	:	Com7
Registered date on the SET	:	10 August 2015
Paid-up capital	:	Baht 300,000,000
Total shareholders	:	16,745 shareholders (as of December 30, 2021)
Free float	:	25.57%
Type of business	:	Distribution of IT products, IOT, lifestyle products and related accessories. Providing Apple Repair Center Postpaid bill payment service, and payment for other services.
Providing Apple Repair Center	:	549/1 Sanphawut Rd., South Bangna sub-district, Bangna district, Bangkok 10260
Postpaid bill payment service, and payment for other services.	:	0107557000462
Head office	:	549/1 Sanphawut Rd., South Bangna sub-district, Bangna district, Bangkok 10260
Registered No.	:	0107557000462
Call Center	:	02 017 7770
Telephone	:	02 017 7777
Facsimile	:	02 017 7711
Corporate website	:	http://www.comseven.com

Others

1) Securities Registrar

The Company name	:	The Thailand Securities Depository Co., Ltd. (TSD)
Head office	:	The Stock Exchange of Thailand (By Chinese Embassy) 93 Ratchadaphisek Road, Dindaeng Bangkok 10400
Telephone	:	02-009-9000
Facsimile	:	02-009-9991

2) Auditor

The Company name	:	PricewaterhouseCoopers ABAS Ltd. (PWC)
Head office	:	15 th Floor Bangkok City Tower, 179/74-80 South Sathorn Rd., Thungmahamek, Sathorn, Bangkok 10120
Telephone	:	02-844-1000
Facsimile	:	02-286-5050

3) Legal Advisor

The Company name	:	CMT Counsellor Company Limited
Head office	:	75 Soi Phuengmee 11, Sukhumvit Road, Bang Chak Sub-District, Phra khanong District, Bangkok 10260
Telephone	:	081-836-7236

4) Securities and Shareholders Information

1. Amount of Registered and Paid-up Capitals

As of December 31, 2021, the Company has registered capital and paid-up capital of Baht 300,000,000, divided into ordinary shares of 1,200,000,000 shares with a par value of Baht 0.25 per share.

2. Shareholders

List of the Company's shareholders and their shareholding of the Top 20 as appeared in the shareholder registration book of the Company as of December 30, 2021, with details as follows:

Rank	List of Major Shareholders	End of Year 2021		End of Year 2020	
		Shares	Share-holdings (%)	Shares	Share-holdings (%)
1	Mr. Sura Khanittaweekul	300,655,200	25.055	300,655,200	25.055
	Mr. Chaitawat Panichthaweekul	210,000	0.018	210,000	0.018
	Mrs. Pimwara Panichthaweekul	1,600,000	0.133	1,600,000	0.133
	Total of Mr. Sura Khanittaweekul's Group	302,465,200	25.205	302,465,200	25.205
2	Mr. Pongsak Thammatatharee	239,715,500	19.976	223,919,700	18.660
3	Thai NVDR Company Limited	67,745,272	5.645	58,386,748	4.866
4	Mr. Bancha Phanthumakomol	50,646,800	4.221	69,206,500	5.767
5	Miss Aree Preechanukul	40,600,000	3.383	40,600,000	3.383
6	THE BANK OF NEW YORK MELLON	27,045,900	2.254		
7	STATE STREET EUROPE LIMITED	23,070,940	1.923	25,346,482	2.112
8	Mr. Amnuay Pichitpongchai	20,982,000	1.749	18,900,000	1.575
9	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	17,867,500	1.489	38,131,780	3.178
10	Ms. Orawan Wichienkawee	15,117,900	1.260	13,737,900	1.145
11	Mr. Kritchawat Voravanich	12,840,000	1.070	12,840,000	1.070
12	K Master Pooled Fund Registered Provident Fund	12,083,700	1.007	-	-
13	Mrs. Thatsanee Uatrakoon	10,257,900	0.855	10,157,900	0.846
14	BI ASSET MANAGEMENT COMPANY LIMITED	10,000,000	0.833	-	-
15	Krungsri Dividend Stock LTF	9,020,300	0.752	15,702,800	1.309
16	Mr. Puripat Pichitpongchai	8,165,000	0.680	7,030,000	0.586
17	Mr. Napat Patchakunakorn	7,080,000	0.590	7,290,000	0.608
18	K Flexible Equity RMF	7,001,300	0.583	-	-
19	TISCO Master Pooled Fund Registered Provident Fund	6,824,600	0.569	7,035,700	0.586
20	Miss Nattanan Kiratikornyossanan	6,500,000	0.542	6,500,000	0.542
TOTAL		895,029,812	74.586	857,250,710	71.438

** The above grouping is a group of people in the same family, which does not include shares held by related persons according to Section 258 of the Securities and Exchange Act B.E. 2535.

3. Others Securities Issuance

The Company does not issue other types of securities.

4. Dividend Policy

The Company has the policy to pay dividends to shareholders at a rate of not less than 40% of net profit after corporate income tax deduction and legal reserve allocation based on the Company's separate financial statements. However, the Company may consider paying dividends differently from the established policies; depend on the performance, financial status, financial liquidity, the needs for money to manage the business, the business expanding of the Company, including economic conditions.

The Company's subsidiary has the policy to pay dividends to shareholders at a rate of not less than 40% of the net profit based on its separate financial statements after deducting corporate income tax and legal reserve allocation. In this regard, the subsidiary will pay dividends by considering various factors for the best benefits to shareholders, such as operating results, financial position, financial liquidity, investment plans, and business expansion of subsidiaries, including economic conditions.

2. Other significant information

-None-

3. Legal Dispute

There is no legal dispute that may cause damage to the Company's assets over 5% of the shareholders' equity as of December 31, 2021. There are also no other legal disputes that may significantly affect the Company's business operations.

4. Secondary Market

-None-

5. Contact Financial Institution (only if the Company issues debt securities)

-None-



Overview of Policies and Guidelines for Corporate Governance

Com7 Public Company Limited and its subsidiary, “the Company,” are committed to developing the organization for sustainable growth. Conduct business legally adheres to Code of Conduct, disclose information with transparency, and establish an internal control system. There is a suitable and appropriate audit mechanism. Carry out operations that take into account the responsibilities of shareholders and all stakeholders. The board structure, supervisory, and administrative tools demonstrate potential and accountability in various matters, which align with the good standard framework of the OECD (Organization for Economic Cooperating and Development) and ASEAN CG Scorecard.

The Board of Directors has established a “Corporate Governance Policy” (see the full policy and guidelines at <http://www.comseven.com> under the Investor Relations category). The Board of Directors is the initiator, participant in the policy’s formulation and approval to promote the principles of good governance of the organization and serve as good practice for the directors, executives, and employees of the Company, subsidiaries, and all groups of stakeholders. It leads to a truly sustainable organization, which covers the key principles following good corporate governance principles. In 2021, the Board reviewed and approved the Company’s vision, mission, strategies, goals, and business directions, including reviewing essential policies to be appropriate and consistent with business operations following good corporate governance principles, such as corporate governance policy, corporate sustainability development policy, business ethics, code of conduct, etc.

The Company has disclosed information on corporate governance policies and practices, including a code of business conduct that would reflect the creation of a framework and guidelines for conducting corporate governance for operations in all Company departments. It can be summarized as follows:



Policies and Guidelines for the Board

Board of Directors

The Board of Directors is responsible to the shareholders in connection with the business operations of the Company, corporate governance to be following goals, laws, objectives, the Company article of association, resolutions of the shareholders' meeting, and the guidelines that will create the best benefits to the shareholders by considering the interests of all stakeholders. Perform duties with integrity and care to protect shareholders' and stakeholders' interests both short and long term. For this reason, the Board shall be elected by the shareholders through a transparent process. All directors must have the knowledge, expertise, and experience that can benefit the Company. They are devoted to performing their duties, leadership, vision, and independence in decision-making, including maintaining a working system for the Company's activities to operate lawfully and ethically and must be independent of the Company's management. Provide a transparent separation system for duties and responsibilities between the Board and the management by considering all stakeholders' interests, adhering to the principle of "Code of Best Practice for Directors of Listed Companies" as prescribed by the Stock Exchange of Thailand.

The Board of Directors consists of 7 members, consisting of business experts, accounting, and finance, which are involved and support all Company businesses. They have a term of office for three years. It is divided into four directors from the management and three independent directors. Independent directors have qualifications, and their numbers are in line with the Office of the Securities and Exchange Commission regulations. It means a listed company must have more than one-third of the number of all directors. The Company stipulates the Board's qualifications as follows:

Board of Directors Qualifications

- 1) Possess the qualifications, and have no prohibited characteristics, according to the Public Limited Companies Act B.E. 2535 or other relevant laws, including the rules and regulations of the SET and the SEC and the Company's article of association.
- 2) Be qualified, knowledgeable, and capable. Have an experience that is beneficial to the business operations of the Company.
- 3) Have leadership, vision, and independence in making decisions for the Company's best interest and shareholders as a whole.
- 4) Have a responsibility to perform director duties and devote their time to serving the duties fully and being responsible to the shareholders regularly (Accountability to Shareholders) and make decisions with caution (Duty of Care) to protect the interests of the Company.
- 5) Perform duties with integrity and ethics within the law framework and guidelines for good corporate governance and code of business conduct.

The Board is aware of the roles, duties, and responsibilities of guiding the operation. Monitor and supervise the work of the management. Perform duties with knowledge, ability, transparency, care, and responsibility in performing duties (Accountability) of the Board of Directors towards the Company and shareholders, independent from the management. There are essential guidelines as follows:

Roles and Duties of the Chairman

- 1) Do not participate in the normal day-to-day management of the Company.
- 2) Use leadership to ensure the efficient performance of duties of the entire Board of Directors for the Company's best interests and independence from the management.
- 3) Have leadership responsible for defining strategies, directions, policies, goals, and missions so that executives and employees have a purpose in operating in the same direction.
- 4) Monitor and supervise the implementation of the Company's strategy. The practice must comply with the policies, rules, laws, and related regulations.
- 5) Consider and approve the agenda of the meeting proposed by the Company Secretary and has been approved by the Executive Committee's Chairman to make the agenda consistent with the duties and responsibilities of the directors. Besides, each director is free to propose matters that are beneficial to the Company on the meeting agenda.
- 6) Allocate sufficient time for management to propose matters and enough for the judges to discuss important issues thoroughly. Encourage the directors to exercise prudent discretion to give opinions independently.
- 7) The Chairman of the Board is not a Chair or member of any sub-committee, so that the performance of duties of the sub-committees is genuinely independent.
- 8) Supervise and encourage directors to abide by good corporate governance principles and the Company's code of business conduct, including compliance with the directors' code of conduct.
- 9) Foster good relations between executive directors and non-executive directors and between the Board and the management.

Roles and Duties of the Chairman of the Executive Committee

- 1) Utilize leadership to ensure the Executive Directors' efficient performance of duties for the best interests of the Company and independent from the management.
- 2) Consider and approve the agenda of the meeting proposed by the Company Secretary to make the agenda consistent with the duties and responsibilities of the Executive Committee.
- 3) Supervise the Executive Directors in implementing the Board of Directors' policies to implement them to achieve results.
- 4) Oversee and encourage the Executive Committee to abide by good corporate governance principles and the Company's code of business conduct.



Term of Office of Directors

- 1) At least one-third (1/3) of the number of directors shall vacate office at every Annual General Meeting of Shareholders. If the number of directors is not a multiple of three, then the number nearest to one-third (1/3) shall vacate office. The directors to vacate office in the first and second years following the registration of the company shall, unless otherwise provided in the articles of association, be drawn by lots. In every subsequent year, the directors who have been longest in office shall vacate office.
- 2) The director who vacates office may be re-elected by the shareholders' meeting resolution.

The director election/appointment can be occurred in 2 cases:

- 1) Election of directors to replace those who are due to retire by rotation must seek approval from the shareholders' meeting.
- 2) Appointment directors during the term due to vacant positions, the Board of Directors can consider and approve according to the Nomination and Remuneration Committee selection and nomination to replace the position.

Board Independence from the Management

The Board of Directors has a policy that the Chairman of the Board and the Chief Executive Officer must not be the same person to achieve clarity of responsibility during policy formulation, governance, and routine management. The Company clearly separates roles, duties, and responsibilities between the Board of Directors and the executives, and there is a balance of power in operation. The Board of Directors is responsible for setting policies and overseeing the executives' operations at the policy level. In contrast, the executives are responsible for managing various aspects of the Company's operations following the specified policies.

The Board of Directors has monitored and supervised the implementation of the Company's strategy. In every quarter of the Board meeting, the Board monitors the performance of the management. The results of the Company's performance are required to be reported, especially in respect of financial goals and plans to be following the prescribed strategy. Besides, the Board of Directors has appointed various sub-committees to help supervise the Company's business. Each director can perform his or her duty and exercise independent judgment in making decisions on various matters by asking questions, commenting, or objecting if there is a conflict of opinion on an issue that affects the interests of the shareholders or stakeholders.

Guidelines for the Board Independence from the Management

The Board of Directors has monitored the management's operation by arranging the monthly meeting of the top executives (Executive Committee) and each department's executives (Management Meeting). It shows the importance of sharing opinions fully to seek helpful information to determine the Company's direction, financial goals, Company's plans, and essential policies. Supervise and monitor the management to regularly ensure implementing the specified procedures following the organization's approach and strategy to ensure that the management can implement the vision, direction, and strategy established for effective implementation. The Board of Directors, together with the management, undertakes the following matters:

- 1) Formulate and review strategies, goals, and annual work plans.
- 2) Oversee the adequacy of the risk management system and internal control.
- 3) Determine the authority that is appropriate to the responsibilities of the management.
- 4) Define a resource allocation framework, development, and budgeting, such as personnel management policies and plans and information technology policy.
- 5) Follow up and evaluate the performance.
- 6) Ensure reliable disclosure of financial and non-financial information.

Nomination of the Directors

The Board of Directors has assigned the Nomination and Remuneration Committee to be responsible for recruiting knowledgeable individuals related to the Company's business and having the qualifications required by the Company to serve as directors in place of ones who resign or retire by rotation or any other event that prevents them from performing their duties, and propose to the Board of Directors and/or to the shareholders' meeting as the case may be. The nomination shall consider the appropriateness of the number of directors to facilitate management flexibility. Therefore, the Company has the policy to control the number of director not less than five persons and not more than twelve persons, which are suitable for the size and type of business, including the diversity of the structure of the Board (Board Diversity) to allow management to be efficient and flexible. It is beneficial and conducive to lead the Company to its objectives and primary goals.

The Company has a process for nominating directors by considering the qualifications as follows:

- 1) Be able to devote time to perform their duties fully.
- 2) Have knowledge, expertise, and competence relating to the business of the Company. Possess the qualifications required by the Company to be in line with the Company's business strategy both short term and long term. Have specific skills that can fill areas that the Board lacking based on the Board Skill Matrix.



- 3) Have an honest, transparent work history without any blemish background.
- 4) Be a person without any forbidden characteristics according to the Public Company Limited Act B.E 2535, Securities and Exchange Act B.E 2535, the Company's Articles of Association, good corporate governance principles of listed companies, and must not have untrustworthy status according to the announcement of the Securities and Exchange Commission.
- 5) Do not operate a business or being a director or an executive in the organization competing with the Company.

The Company has established guidelines for nominating and selecting directors as follows:

- 6) If a director resigns from office or the Company reviews the Board structure according to the Board Skill Matrix, the Board of Directors will jointly consider in the meeting to pass a resolution, so that the Nomination and Remuneration Committee shall take the duty of selecting directors with qualifications and experience to meet the needs of the director structure.
- 7) The Nomination and Remuneration Committee specifies persons' individual characteristics to nominate as directors, such as leadership, dare to express different opinions, etc.
- 8) The Nomination and Remuneration Committee uses several recruiting methods to be directors and allows shareholders to nominate qualified persons. Use the professional director's database (Director Pool) of the Thai Institute of Directors Association (IOD) as comparative information in recruiting new directors or consider the same director.





Board Diversity

The Board of Directors recognizes the interests of the diversity of the Board of Directors. It deems an important factor in enhancing the efficiency of decision-making and the Board of Directors' performance.

Such diversity is not limited to only gender but also ethnicity, age, educational history, professional experience, skills, knowledge, and attitudes. Therefore, the nomination and appointment of the Company's directors will be based on knowledge and capability, including the use of selection criteria, which considers the interests of diversity.

Development of Directors and Executives

The Board of Directors realizes the role and duties of the organization's leader (Governing Body). More than half of the Board of Directors have studied or received lectures on CG Code practice until they fully understand the benefits and rules of creating sustainable value for the business. It is to develop the directors' knowledge and ability to help promote the performance of duties of the Board of Directors more efficiently.

Executives are developed to prepare them for rotation within the organization and succession to CEO and top executives' positions. Therefore, the Board of Directors gives importance to attending training, seminars, related courses and organizing an assessment of the senior management's potential to develop the readiness of work at the executive level.

The Company has a guideline in promoting and supporting all directors to study and train more to increase the knowledge on the continual acting of the director as follows:

Orientation of New Directors

It is to prepare and support the efficient performance of the elected/appointed candidates' duties as quickly as possible to serve as directors. Simultaneously, there is a policy to foster new knowledge and perspectives of all directors regarding corporate governance, business, technology, and innovations with the Company Secretary as a coordinator. The content consists of the following matters.

- 1) The matters should be known, such as business structure, the structure of directors, scope of powers and duties, laws, nature of the business, business information, and the Company's business practices, related regulations, good corporate governance, code of business conduct, and valuable information in performing duties as a director.
- 2) General knowledge of business and operating guidelines.
- 3) Arrange a meeting with the Chairman of the Board to ask for insights about the Company's business operations.
- 4) Prepare manuals and related documents such as strategic plans, the Company's article of association, information memorandum, annual reports, related regulations, handbook of good corporate governance, and code of business conduct to submit to the directors' benefit of performing their duties.

Training for Directors

The Company encourages all directors to study and train to increase the knowledge on the continual acting of the director's duties, for instance, attending training in courses necessary to perform the duties of directors and other related programs and a curriculum that refreshes knowledge to keep it up-to-date. In 2021, the directors attended the Audit Committee meeting of listed companies held by the Office of the Stock Exchange of Thailand on November 29, 2021. It is to understand the importance of the Audit Committee in the capital market and the roles and duties of the Audit Committee in good corporate governance and maintaining the quality of financial reporting preparation by selecting qualified auditors and regular communication with them. It also includes current mechanisms and tools that are helpful to the Audit Committee in their effective performance of duties to oversee the quality of financial reporting to improve the quality of corporate governance and the quality of financial reports. It is in line with the director's development plan in following the principles of good corporate governance.



Board Performance Evaluation

The Company's good corporate governance principles require the Board of Directors and sub-committees of the Company have performance self-assessment at least once a year, both on a board basis and individually, so that the Board can consider the previous performance. It will lead to the development and improvement of the operation for better efficiency. The Company has the policy to pay close attention to the Board of Directors' self-assessment, orientation for new directors, and encouraging directors to attend training with the Thai Institute of Directors Association and related agencies continuously.

Evaluation of the Board and committees mentioned above, the Company focuses on the directors' performance of duties with transparency and fairness, leading to good corporate governance processes to encourage the Company to grow and progress with sustainable stability.

The Directors' Performance Evaluation Process

The Board of Directors has established guidelines for conducting a Board Self-Assessment annually by using three sets of assessments that the Company has adjusted from the example of the Stock Exchange of Thailand as follows:



1. Self-Assessment for the board of directors as a whole



2. Self-Assessment of committee as a whole



3. Self-Assessment of the board of directors and of committee members on an individual basis

Preparation of the assessment has been organized both the whole and individually for the Board and the sub-committees to be used as a framework for reviewing the duties whether it has operated according to the approved corporate governance policy and/or good practice. It improves the Board of Directors' performance under the established guidelines and reviews the past year's problems and obstacles.

Determination of Remuneration for Directors and Senior Executives

The Nomination and Remuneration Committee, appointed by the Board of Directors, reviews and evaluates the performance of directors and executives by providing opinions to the Board of Directors and shareholders on guidelines and criteria for determining the remuneration of directors and senior management as follows:

- **Policy and criteria for determining the remuneration of directors based on various factors as follows:**

- 1) The Company's performance and business size
- 2) Experience, roles, duties, and responsibilities of each director
- 3) Benefits that the Company will receive from each director
- 4) Remuneration established must be able to motivate qualified persons suitable for the Company's needs and circumstances to become directors or executives

- **Composition of the remuneration for the Board of Directors consists of:**

- 1) Monthly remuneration is in line with the duties and responsibilities of the Board of Directors or Sub-Committees.
- 2) Meeting allowance is the compensation for attending each meeting, paid for non-executive directors.
- 3) Directors' bonus paid for independent directors only.

Note:

1. The Company does not have the policy to pay remuneration to the Executive Committee.
2. The Audit Committee shall receive remuneration as an Audit Committee only.
3. The Company shall pay meeting allowances according to the number of the Director's attendance and not exceeding 6 times per year. The Directors or Audit Committee Members shall not receive meeting allowances exceeding 6 meetings.
4. All forms of directors' remuneration must be approved by shareholders annually.



Determination of Chief Executive Officer Remuneration

The Nomination and Remuneration Committee, appointed by the Board of Directors, will consider and evaluate the Chief Executive Officer's performance. The consideration is based on the Company's business performance and the implementation of the Board of Directors' policies, including the overall economic and social situation to consider appropriate compensation for both the short and long term of the Chief Executive Officer.

- **Policy and criteria for determining the remuneration of Chief Executive Officer based on various factors as follows:**

- 1) The Company performance by comparing with the performance of companies at the same level
- 2) Increasing competitiveness and sustainable business operations, in the long run, to lead to sustainable success under transparent criteria
- 3) The ability to develop the business and to improve the operational efficiency each year

Succession Plan Policy

The Company has a plan for selecting personnel responsible for important positions at all levels to be appropriate and transparent to ensure that the Company has executives with professionalism. The Nomination and Remuneration Committee prepare a succession plan to propose to the Board of Directors for consideration (study the full policy and guidelines at <http://www.comseven.com> under the Investor Relations category).

Chief Executive Officer

When the Chief Executive Officer's position is vacant, or those in the place cannot perform their duties, the Company will have a system and procedures for executives at the nearby or secondary level to act in the position. Until the recruitment and selection of persons who possess the qualifications according to the Company's criteria. He/she must be those who have vision, knowledge, competence, experience, and appropriate to the organizational culture. The Nomination and Remuneration Committee will consider and propose to the Board of Directors to consider and approve suitable persons' appointments to replace positions.

Senior Executive

When the senior executive cannot perform duties in a position, the Company will propose the executives who will inherit, which has been selected beforehand to the Executive Committee.

Directorship in Other Listed Companies

The Board of Directors has established policies for directorship in other listed companies as follows:

- 1) Policy on Directorship in Listed Companies of Directors
 - The Board of Directors has determined that each director can hold director positions in other listed companies, including the Company, not more than five listed companies. It is to achieve efficiency in performing their duties and enable directors to fully devote their time to performing duties as the directors of the Company.
 - Directors should not serve as directors in other listed companies that may create a conflict of interest with the Company and their performance.

2) Policy on directorship in other listed companies of the group chief executive officer and senior executive

The Board of Directors has assigned the group chief executive officer and senior executive to hold director positions in other companies. In most cases, the Board of Directors will appoint being a director in the group of companies, which is an overall benefit to the Company and must not affect all positions' duties and responsibilities.

If the group chief executive officer and senior executive of the Company take on the position of director at a company other than companies within the group, provide approvals and actions following the regulations, approval authority, and acts approved by the Board of Directors.

Investment Policy and Supervision of Subsidiaries and Associated Companies

The Company has an investment and management policy in subsidiaries and associates, which will invest in businesses related or benefit and support the Company's business operations to strengthen the Company's stability and performance. The Company will consider the investment proportion, expected profit, the risk that may arise, and the Company's financial status before deciding to invest in various projects. Such investment approval must be considered at the Board of Directors' meeting and/or the shareholders' meeting under the specified approval authority scope.

Guidelines for supervising the operations of subsidiaries and associated companies

The Company will send its representatives who have qualifications and experience suitable for the business in which the Company has invested to be directors of those subsidiaries and associated companies. Such representative may be the Chairman of the Board, Chief Executive Officer, Executive Director, or any person of the Company without any conflict of interest in those subsidiaries and associated companies' business.

It is to enable the Company to control and supervise the business and acknowledge or consider subsidiaries and associated companies' operations as if they are a unit of the Company. Therefore, the Company's representative must manage the business of its subsidiaries and associated companies following the rules and regulations stipulated in the rules and laws relating to the business operation of that subsidiary and/or associated companies. Also, the Company will send a representative to act as a director in the said subsidiary and associated companies following the shareholding proportion of the Company and/or mutual agreement in the case of an associated company. Besides, the Company will closely follow the said business's operating results and performance, present the results of the analysis, and express opinions or suggestions to the Board of Directors of the subsidiaries or associated companies or jointly controlled entities. It is for use in determining policies or enhancing the business of subsidiaries, associated companies, or jointly controlled entities to develop and grow continuously.

Policy and Guidelines on Shareholders and Stakeholders

Rights of shareholders and equal treatment of shareholders

The Company realizes and values shareholders' rights by not taking any action, which violates or deprives the rights of shareholders. The Company provides fundamental rights to its shareholders equally, including showing the right of ownership in the shares hold, trading or transferring of shares, share repurchase, receiving dividends, having a share of the enterprise's profit, consideration of all forms of compensation, obtaining sufficient and timely information of the Company, attending shareholders' meetings, or granting other proxies to exercise their voting rights in appointing or removing directors, appointing auditors and matters affecting the Company, etc.

The Company does not have the policy to create a mechanism to prevent business takeover that will cause the management or the controlling person to operate without transparency and inefficient. The Company's shareholding structure does not have cross-shareholding characteristics among the group of companies. The Company has a minority stake (Free-Float) of more than 40 percent of the total issued shares (see more details at the Securities and Exchange Commission website).

The Company has complied with the policy on the treatment of shareholders with great emphasis on the care and protection of shareholders' rights by providing care and support for major shareholders, individual, institutional investors, or foreign shareholders entitled to equal fundamental rights and treatment of shareholders' rights. The Board of Directors is required to respect the rights and treat all groups of shareholders equally, especially the minority shareholders, foreign shareholders, and institutional shareholders, which are not limited to legal rights only. There is also the policy to facilitate and encourage all shareholders and institutional investors to attend the shareholders' meeting of the Company with the supervision of the fundamental rights as follows:

The right to receive share certificates and the right to buy, sell, or transfer shares

The Company has appointed Thailand Securities Depository Co., Ltd. to act as a securities registrar to facilitate the shareholders' dealing with the Company's securities registration.

The right to propose an agenda in advance, the nomination of persons to be appointed as directors, and asking questions about the Company

The Company sets the criteria for proposing meeting agendas, the nomination of persons to be appointed as directors, and asking questions about the Company (the guidelines are disclosed on the Company website (<http://www.comseven.com> under the heading "Shareholder Meeting"). It allows minority shareholders to participate in corporate governance by being aware of shareholders' rights and encouraging them to exercise their rights in the meeting fully. Therefore, the shareholders are allowed to propose the Annual General Meeting's agenda, a list of persons proposed for appointment as the Company's directors, and inquiries submitted in advance through the Company's website at least three months before the end accounting period.

At the Annual General Meeting of shareholders, the Company has published the guidelines on its website and announcing the news on the Stock Exchange of Thailand website to be informed of their rights. Shareholders will also have time to study information for the meeting. On the day of the meeting, the Board of Directors, advisor to the Board of Directors, Executives in charge of finance and accounting, and certified public accountant have to attend the meeting in unison to answer questions.

To comply with the principles of good corporate governance, the Company provided opportunities for shareholders to propose meeting agendas to be included in the Annual General Meeting of Shareholders and nominate a qualified person to be considered for election as the Company's director at the 2022 Annual General Meeting of Shareholders in advance from October 1, 2021, to December 31, 2021, by the criteria and methods as disclosed on the Company's website (<http://www.comseven.com> Under the Investor Relations category).

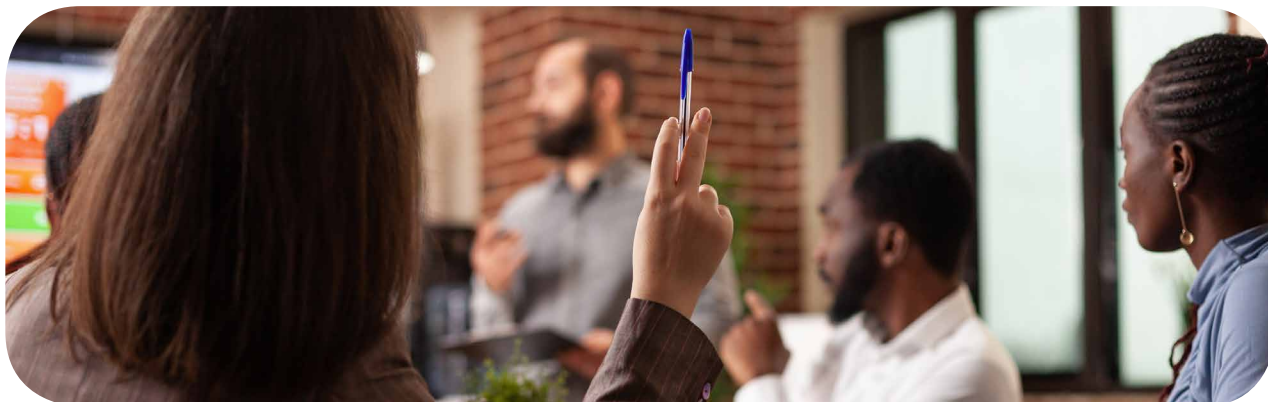
The right to attend the shareholders' meeting

Summoning of Meeting

Each year, the Company arranges for an annual general meeting of shareholders within four months from the end of the Company's fiscal year. The annual general meeting of shareholders is disclosed to the shareholders in advance to plan a schedule for attending the meeting.

For the shareholders' meeting, the Company shall notify three independent directors in the meeting invitation letter for the shareholders who cannot attend the meeting to consider selecting a person who will be a proxy, whether an independent director or to another person as the shareholders deem appropriate. In voting for each agenda item, shareholders will vote in advance by specifying in the proxy form or allowing the proxy to vote in the meeting at all.

To prevent the spread of COVID 19 and avoid impact on public health, the Company asks for cooperation if any shareholder who travels via (Transit) or returns from abroad in the risk group to appoint a proxy to the Company's independent director to attend the meeting instead.



Thailand Securities Depository Company Limited, the Company's share registrar, is the operator of sending the meeting invitation letter and supporting documents for various agendas with sufficient details for deciding with annual report and proxy forms as specified by the Ministry of Commerce (not less than seven days). It is to facilitate the shareholders and allow shareholders and institutional investors to study each agenda's details and prepare for the appointment of proxies in case of inconvenience to attend the meeting by themselves. Besides, there is stamp duty for closing the proxy form for service without charge to reduce the shareholders' procuring stamp duty burden.

The Company has also published the meeting invitation letter, documents for consideration, and proxy form through the Company's website for at least 28 days as a channel for shareholders' acknowledgment. It is the same information as the information that the Company has sent to shareholders in



document form. There is also the notice of the shareholders' meeting in a newspaper at least three days before the meeting and advertise for three consecutive days as required by law.

In 2021, the Board of Directors promoted the dissemination of documents for the 2021 Annual General Meeting of Shareholders on the Company's website for the best interest of the shareholders to be informed of their rights and have time to study and consider the agenda of the meeting and information supporting the meeting. Notice of the 2021 Annual General Meeting of Shareholders, together with supporting documents, both Thai and English versions were published from March 19, 2021, along with a map of the meeting venue and public relations facilitating transportation for shareholders who come to the meeting. The Company arranged a shuttle bus at Shell fuel station, Udom Suk BTS Station (Exit 2), round 1 at 12:30 hr. and round 2 at 13:30 hr.



The Company specifies agenda items to propose the general and extraordinary general shareholders' meeting without any other agenda. There are no different agendas that have not yet been presented to the meeting for consideration, including the meeting day. The Company avoids adding other agendas that are not predetermined in the shareholders' meeting because it is unfair to the shareholders who do not attend the meeting. For the directors' election, the Company specifies the name and a brief biography of each director proposed for shareholders to consider. The Company provides an opportunity for shareholders to vote for an individual director. The same as an auditor's appointment, the Company has specified the name of the auditor, affiliated firm, experience, independence, and the period that being the auditor of the Company, including the audit fee clearly so that the shareholders can consider the suitability of the auditor. In proposing for the dividend payment (if any), the Company will notify its dividend payment policy, proposed dividend payment rate, along with reasons and information for consideration to the shareholders. The Company does not neglect the equal treatment of shareholders in regards to share repurchase.

Shareholder Meeting

The quorum of a Shareholders' Meeting shall be either not less than 25 shareholders or proxies (if any) presented, or not less than half of the total number of shareholders, and the total number of shares altogether should not less than one-third of the total number of shares sold.

The Company grants shareholders the right to vote in one share for one vote and encourages shareholders to use voting cards for all agendas. Ballots are prepared for each agenda item so that the shareholders can vote as they deem appropriate. Before the meeting commenced, the Chairman of the meeting shall assign the Company's moderator to clearly explain the voting procedures and the vote counting of the shareholders that have to vote on each agenda according to the Company's article of association. Voting cards are required for all agendas so that the shareholders can vote as they deem appropriate and clearly exercise the right to vote on each agenda as well as asking for the meeting's opinion if attendees are attending the meeting later having the right to join as a quorum and the right to vote from the agenda they participated of the meeting onwards which the meeting resolved to approve the proceeding of the meeting. The Chairman of the meeting proposes the matter to the shareholders for consideration according to the meeting agenda's order and giving opportunities to ask questions in each agenda. For other issues besides the agenda, there is an opportunity to ask questions at the end. The shareholders have equal rights and have sufficient time.

In 2021, the Board of Directors held the Annual General Meeting of shareholders on Thursday, April 22, 2021, at 2:00 p.m. at Com7 Public Company Limited's meeting room, 549/1 Sanphawut Road, South Bangna Sub-district, Bangna District, Bangkok. On the day of the meeting, the Chairman of the Board of Directors acted as the Chairman of the meeting. Met and answered questions about the Company's management to the shareholders at the meeting. There were the Board of Directors, Chief Executive Officer, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, and the Company Secretary, a total of 14 people attended the meeting in unison, a total of 7 people participated in the forum, accounted for 100 percent of the total number of directors. 1,292 shareholders were attending the meeting in person and by proxy, representing a total of 977,980,219 shares, or 81.4984 percent of the total number of shares sold of the Company (the issued shares of the Company are 1,200,000,000 shares), constituting a quorum according to the Company's Articles of Association.

On the day of the Annual General Meeting of shareholders, the Board of Directors, advisor to the Board of Directors, executives in charge of finance and accounting, and certified public accountant attended the meeting in unison to answer questions. The Company had also invited the auditor from PricewaterhouseCoopers, ABAS Limited, and legal counsel to participate in a session from the beginning to hear opinions and prepare to answer the shareholders' questions.

The Company arranged adequate staff to welcome, facilitate, and check the documents. Besides, preliminary screening was provided to all visitors by temperature/fever measurement at the screening point in front of the meeting room and facilitated with sanitizing gel for cleaning, and put stickers when passing through the screening point. It was in line with measures to prevent the spread of COVID-19, including preparing a security system and an emergency response plan for the participants.

Disclosure of the Meeting Resolution

The Company disclosed the resolution of the Annual General Meeting of shareholders with voting results by informing in a letter to the Managing Director of the Stock Exchange of Thailand and published on the Company's website after the meeting on April 22, 2021. The minutes of the shareholders' meeting, which contained complete recordings, voting in each agenda, questions, explanations, and essential opinions entirely was delivered to the SET, Securities and Exchange Commission, and relevant agencies within 14 days from the date of the shareholders' meeting. Information was disseminated through the Company's website. The Company recorded live footage of the meeting and published it on the Company's website to provide publicity services to interested shareholders.



Minutes of the Shareholders' Meeting

To allow the shareholders to know and examine the details of the shareholders' meeting within a reasonable time and to ensure that information received between Thai shareholders and foreign shareholders equally, the Company has a policy of disseminating the minutes of the shareholders' meeting wholly and correctly in both Thai and English versions. Each agenda contains essential information such as clarification on voting procedures, the content of the agenda, resolutions of the meeting with voting results, including agreeing, disagreeing, and abstaining, questions, clarifications, and opinions in the discussion, including the names of the directors attending the meeting and their positions. In 2021, all directors participated in the forum. The information is disclosed on the Company's website within 14 days of the meeting to serve as a channel for shareholders to verify the correctness of the information and deliver it to the Ministry of Commerce within the law's time.

The Board of Directors had disclosed the minutes of the 2021 Annual General Meeting of Shareholders held on Thursday, April 22, 2021, on the Company's website (<http://www.comseven.com> under the Investor Relations category) from May 6, 2021, including publishing the minutes of the Annual General Meeting of Shareholders on May 7, 2021.

The right to receive dividends and a share of the profit of the business

The Company allocates profits to its shareholders in the form of dividends by notifying the Company's dividend payment policy, proposed dividend rate, including reasons and information for consideration to the shareholders. In 2021, the Board of Directors proposed the dividend payment, and the shareholders' meeting passed a resolution approving the payment of dividends for the operating results as of December 31, 2020. The Board of Directors set a list of shareholders entitled to receive dividends (Record Date) on April 30, 2021, and compile a list according to Section 225 of the Securities and Exchange Act. The dividend payment date was scheduled on May 21, 2021 (details, please see Topic: Dividend Policy of the Company and its Subsidiaries).

The right to consider the directors' remuneration

The Company has complied with the policy on criteria to consider the remuneration of directors to shareholders by appointing the Nomination and Remuneration Committee to consider the forms and compensation measures for each director position. The Company has set the directors' remuneration, considering the size of the business, business environment, overall economic conditions, the performance that reflects and correlates with the operating results, as well as considering the compensation rate of companies in the same industry, which is at a competitive level and is reasonable. The Company also proposes all forms of directors' remuneration, such as monthly remuneration, bonus, meeting allowance for shareholders to consider and approve in the shareholders' annual general meeting. The Company does not pay any money or any other assets to the directors unless it is delivered as compensation according to the rights and benefits, regular compensation as a Company director.

The payment of directors' remuneration is under Section 90 of the Public Companies Act stipulating that "Directors' remuneration shall be made by the resolution of the shareholders' meeting, which consists of not less than two-thirds of the total number of votes of the shareholders present at the meeting." The Company has published such policies on the Company's website (<http://www.comseven.com>), under the Investor Relations category) to inform shareholders and the general public who are interested.

The right to receive adequate and timely news and information

The Company discloses information through the news system of the Stock Exchange of Thailand. It also brings important information, including various current news published on the Company's website (<http://www.comseven.com> under the Investor Relations category), to take care of shareholders' rights rather than legal rights.

The right to approve the auditor's appointment and their remuneration

The Company sets an agenda for auditors' appointments and determines their remuneration for the shareholders to consider and approve in the shareholders' annual general meeting. It contains details of the auditors' proposed appointment, information on the affiliate firm, experience, competence, independence, and the auditor's service fee to provide sufficient information for the shareholders to use in their consideration.

Stakeholders

The Company recognizes all groups of stakeholders' rights, whether internal stakeholders included shareholders, employees, and external stakeholders included customers, business partners, creditors, competitors, and other entities, including related nearby communities. Since the Company has received support from all groups of stakeholders in building competitiveness and generating profits for the Company, which is considered to create sustainable value for the Company, therefore, these stakeholders should be treated following their rights under applicable law by setting the policy as follows:

The Use of Inside Information Policy

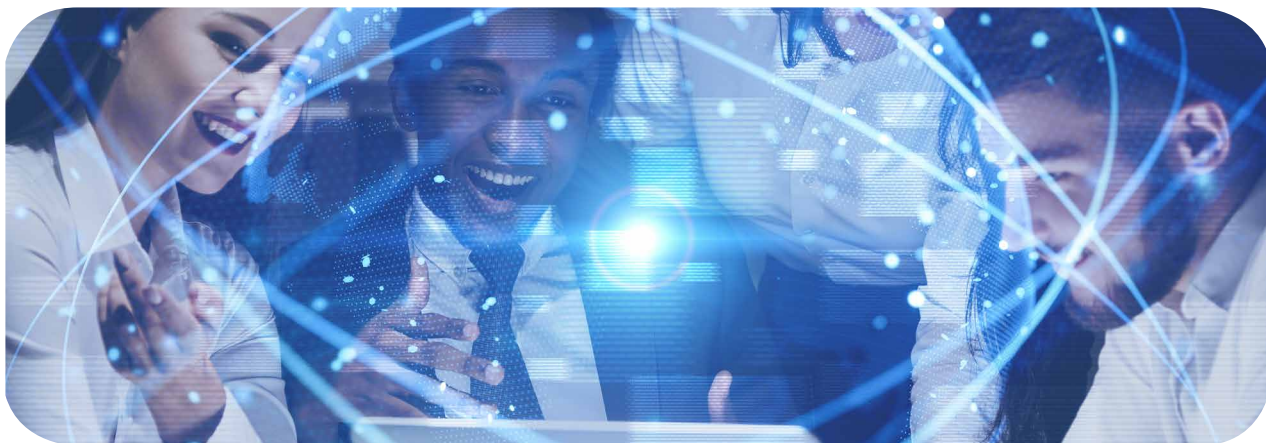
The Board of Directors realizes the importance of good corporate governance to be transparent and prevent the exploitation of personal interests from the use of internal information of the Company that has not been disclosed to the public. The Company has set a policy to use inside information (study the full policy and guidelines at <http://www.comseven.com> under the Investor Relations category). The Company has established guidelines for this matter as follows:



- 1) Educate the directors and executives regarding the reporting obligations of their securities holdings, their spouse, and underage children and report the change in the holding of the Company's securities to the Office of the Securities and Exchange Commission, including reporting on the acquisition or disposition of securities of the spouse and underage children.
- 2) Define the group of people who can access the information.
- 3) Assign the Company Secretary to be the central agency to supervise and hierarchy information.
- 4) The procedures for securities trading of directors and executives must be reported one business day prior to buying or selling, including a 30-day period before the announcement of business results and/or important transactions and after 24 hours of the disclosure.

In implementing that action, the Company focuses on communicating and raising awareness to the organization's employees from time to time, such as communicating via email to remind transactions or activities that may lead to the use of inside information. Directors and executives are also encouraged to be role models and examples in not using data for their benefit.

If there is a violation of the Company's policies and practices, the Company has defined penalties and focuses on corrective action to avoid the recurrence of such cases.



Transparency and Disclosure Policy

The Board of Directors has the policy to disclose financial information and others related to the Company's business and performance that is truthful, complete, adequate, consistent, timely, demonstrating the actual financial and operating status, including the future of the Company's business.

The Board is committed to ensuring strict adherence to laws, rules, and regulations related to information disclosure and transparency by arranging to disseminate information on the Company's website and publications of the Stock Exchange of Thailand for shareholders and other stakeholders to acknowledge the information of the Company thoroughly. Make adjustments to be in line with the guidelines set forth by the Stock Exchange of Thailand and the Securities and Exchange Commission.

The Company provides staff to communicate with investors or shareholders, including institutional investors and minority shareholders, and hold a meeting to analyze the performance regularly. It will also disseminate financial information and general information to the shareholders and related agencies through various channels such as reporting to the Stock Exchange of Thailand Securities and Exchange Commission and the Company's website.

Besides, the Company pays attention to the financial reports to demonstrate the Company's actual financial status and operating results. It is based on accurate, complete, and sufficient accounting information following generally accepted accounting standards. The Company shall disclose information about each director and the roles and duties of the Board of Directors and the sub-committees of the Company in the annual report.

The Company has established a guideline for this matter to have a channel for disclosure of information, consisting of:

- 1) Disclosure of information via electronic media (SET Portal: SEP) under the rules and procedures prescribed by the Stock Exchange of Thailand
 - Management Discussion and Analysis: MD&A
 - The Company's Financial Statements and Annual Registration Statement/Annual Report Form 56-1 One Report
 - Resolution of the Board of Directors' Meeting, Shareholders' Meeting and Other Information
- 2) The Office of the Securities and Exchange Commission
- 3) Department of Business Development Ministry of Commerce
- 4) The Company website <http://www.comseven.com>
- 5) Mass communication, publications, and other media
- 6) Analyst Meeting
- 7) Company Visit / One-on-One Meeting
- 8) Traveling to provide information both domestically and internationally (Road Show)



Conflict of Interest Policy

The Board of Directors has established the policy and guideline for considering transactions that contain or may have conflicts of interest in the Company's good corporate governance policy and code of business conduct. It is for the directors, executives, and employees to observe and exercise caution according to the rules on connected transactions and do not have any transactions that violate the SEC and SET rules. According to the SEC's definition, the directors and executives have to report their interests and personal interests to the Company and communicate principles of connected transactions, and communicate with the relevant lines of the Company and the group companies. The Company has also disclosed to the general public through the company website (<http://www.comseven.com> under the Investor Relations category).

The Company has established guidelines on the prevention of conflicts of interest on the principle that any decision in conducting business activities must be made in the Company's best interest only.

- 1) Actions that create conflicts of interest should be avoided by requiring those involved or who have a stake in the transaction. They must notify the Company of their relationship or interest in the said transaction and not participate in the decision-making, including having no power to approve such transactions.
- 2) Executives or directors deem that any transaction is considered a connected transaction or a transaction with explicit conflicts of interest and intends to comply with the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 and/or Section 80 of the Public Limited Companies Act on the abstention of directors who have direct or indirect interests.

Non-Violation Human Rights Policy

The Company has an ideology to conduct business with integrity, adhering to social responsibility and all groups of stakeholders. According to the corporate governance in protecting human rights, the Company strictly complies with the law to ensure that Com7 Public Company Limited's business operations are free from human rights violations. Therefore, the executives and directors of the Company deem it appropriate to formulate policies and guidelines on human rights to prevent human rights violations in all business activities of the Company, including the business value chain and joint venture.

Executives and employees at all levels must realize the importance and respect for human rights in all aspects of every individual as well as society and community according to the laws of each country and according to the treaty that each country has obligations to perform, including:

- Treat everyone equally, following the principles of human rights without discrimination.
- Avoid acts that violate human rights.
- Support to promote human rights.
- Communicate, disseminate, educate, understand, set guidelines, supervise, and provide any other support to those involved in business operations throughout the business value chain, suppliers, contractors, and joint ventures to participate in the business with integrity, respect for human rights, and treat everyone following the principles of human rights under this policy. In addition, the Company has disclosed to the general public through the Company's website (<http://www.comseven.com> under the investor relations category) with the following guidelines:

- 1) Respect for human rights. Treat each other with respect and treat each other equally without any distinction in body, mind, race, nationality, religion, sex, language, age, color, education, social status, or any other matter.
- 2) Use caution in performing duties to prevent the risk of human rights violations in business operations and oversee respect for human rights.
- 3) Support and promote actions to protect human rights.
- 4) Communicate, disseminate, educate, understand, formulate guidelines and provide other support to those involved in business operations throughout the business value chain, suppliers, contractors, and joint ventures to participate in the business with integrity. Respect human rights and treat everyone following human rights principles under this policy.
- 5) Oversee respect for human rights. Do not ignore or neglect when seeing actions that constitute human rights violations related to the Company. They must report to the supervisor or responsible person for acknowledgment and cooperation in investigating facts. If there is any question or concern, consult with the supervisor or the person responsible through specified complaint channels.
- 6) The Company provides fairness and protection to persons who report human rights violations related to the Company.
- 7) The Company continually develops and implements the Human Rights Due Diligence Process.
- 8) The Company is committed to creating and maintaining an organizational culture that adheres to respect for human rights following this human rights policy.
- 9) Persons who commit human rights violations are considered to violate the Company's code of conduct. Accordingly, they must be regarded as disciplinary under the Company's regulations. In addition, there may be legal penalties if the act is illegal.
- 10) The Company has provided remedial measures if the Company has committed human rights violations to mitigate human rights impacts that may arise from the Company considering the level of impact. The process is as follows:
 - Apologizing
 - Compensation, both in monetary and non-monetary form
 - Stopping some operations
 - Providing damage control and prevention of recurrence

The Company has established a process for monitoring results, auditing, assessing risks and human rights impacts regularly, and setting guidelines or measures to manage risks appropriately by giving all departments the responsibility to supervise and manage the risks under their duty. In addition, the Company develops communication channels to promote knowledge, understanding, and respect for human rights practices, including providing channels for listening to opinions and suggestions from employees, outsiders, and stakeholders, reflecting problems, reporting clues or complaints. In the event of an event or action that may constitute a violation of human rights, report whistleblowers or complaints to the Company through two channels: Call Center 02-017-7770 and Website: <https://bit.ly/HRcom7Care> to bring opinions to review and to prevent risks that may occur in violation of human rights.



Non-Infringement of Intellectual Property Policy

The Company is committed to protecting and preserving intellectual property rights owned by the Company or its group companies, including copyrights, trademarks, patents, petty patents, specialized knowledge, trade secrets, etc., from being infringed or used without permission. Besides, respect the intellectual property rights of others without committing any infringement or unauthorized use.

- 1) The Company must conduct its business and encourage its personnel to work under the laws or regulations related to intellectual property rights, whether patents, copyrights, trademarks, or other intellectual property rights, trade secrets, and other intellectual property as required by law.
- 2) The Company personnel is entitled and encouraged to produce their work under applicable law independently. However, works resulting from the performance of duties or using the Company information or works being explicitly done for the Company is the Company's property unless the Company expressly permits it to be regarded as the work of an inventor, researcher, or other people.
- 3) The Company encourages its personnel to realize the importance of respecting intellectual property rights directly related to the operation and daily life.
- 4) Bringing results or information to use in work, those involved must ensure that they do not infringe the intellectual property of others.

The Company has disclosed to the general public through the Company's website (<http://www.comseven.com> under the investor relations category) with the following guidelines:

- 1) The Company's personnel are obliged to comply with all laws, rules, and regulations regarding the protection of intellectual property rights, including all rules and contractual obligations about the intellectual property rights of others and patents, copyrights, trademarks, trade secrets, and other proprietary information.
- 2) Maintain and protect the Company's intellectual assets from infringement, disclosure, duplication, alteration, or otherwise without permission from the Company.
- 3) Respect and do not infringe or misuse the intellectual property rights of others. Examine works that are entitled to third parties acquired or to be used by the Company. The employees must be approved by the supervisor in such action first. If in doubt, the supervisor must seek an opinion from the Company's legal department.
- 4) There should be an explicit agreement on intellectual property rights in entering into any contract or juristic act.
- 5) Assignment of the Company's intellectual property rights to any other party, whether a group company or not, it must be done according to the form prescribed by law. Also, it must be performed by the Company's authorized person only.
- 6) Cooperate in expressing rights or requesting protection of intellectual property rights owned by the Company.
- 7) Report to the supervisor or an intellectual property supervisor when witnessing an infringement of rights or an act that may lead to a violation of intellectual property rights.
- 8) If copyrighted works or any other intellectual properties arise due to the performance of the executives, employees, copyright, those intellectual property rights belong to the Company.
- 9) Personnel of the Company who have retired from being an employee must return the Company's intellectual property such as inventions, reports, commercial data, programs, processes, innovations in its possession to the Company entirely.

Anti-Corruption Policy

The Company intends to operate its business with transparency. It can be examined following good corporate governance principles by establishing a control and audit process to reduce and prevent the risk of fraud within the organization, including all forms of corruption, either direct or indirect. The Company also performs various actions that demonstrate its commitment to anti-corruption.

The Company has a policy to prevent and anti-corruption, giving or receiving a bribe, including clear guidelines for anti-corruption practices and disclosing to the general public through the Company's website (<http://www.comseven.com> under the Investor Relations category) as well as conducting business following the principles of good corporate governance under the criteria set by the CAC. To comply with the principles of good corporate governance and corporate social responsibility as a whole, the Company sets a guideline as follows:

1) Training and Communication

The Company provides communication and dissemination of anti-corruption policy, including whistleblowing channels or complaints. It allows people within the Company acknowledged through various media such as orientation for new directors and employees, seminars, posting announcements on publicity boards, intranet system, e-mail, the Company's website, etc. Moreover, the Company communicates and disseminates an anti-corruption policy and channels for reporting clues or complaints to the public, subsidiaries, business representatives, related business partners, and stakeholders through various annual reports and annual registration statements. It creates understanding and encourages adherence to social responsibility standards in the anti-corruption issue, the same as the Company.



2) No Gift Policy

Accepting and giving gifts, favors, or any other benefit may be a starting point for potential fraud. Therefore, the Company has established guidelines to comply with the anti-corruption policy regarding receiving-giving gifts, entertainment, or any other benefits and promulgated throughout the organization so that the personnel of the Company group strictly observes. Do not demand/accept gifts, gratuity, entertainment, or any business associates' compensation to prevent reluctance to perform duties or any discrimination or action that may create conflicts of interest. Communicate to third parties involved in the Company's business operations to maintain the Company's standard of performance to be transparent, honest, and legitimate.



3) Whistleblower System

The Company is aware of the role of participation in corporate governance from all stakeholders who encounter things contrary to the Business of Conduct, Fraud and Corruption, or in any other cases. The report or complaints can be submitted directly to the Chairman of the Corporate Governance Committee or the head of the internal audit department, the Company Executives, the Company Secretary, or the channels for receiving complaints that the Company provided, including any other media that stakeholders trust. The measures and channels for reporting clues or complaints are as follows:

Measures and Channels for Reporting Clues or Complaints

The Company provides a secure and accessible channel so that employees and other people ask for advice on implementing the Anti-Corruption Policy and able to report any wrongdoing or complaint. It ensures that the whistleblower will be adequately protected. There is also a person to investigate and follow up on all matters that have been notified as follows:

1) Asking for advice, anyone who has questions or needs advice on the implementation of the Anti-Corruption Policy can perform as follows:

1.1 Request a consultation with “Human Resources Manager” or “Internal Audit Manager” by

Telephone : 02-017-7777 ext. 7202 or 7741

Email : whistleblower@comseven.com

Send a posg mail via : Com7 Public Company Limited (Head Office)
549/1 Sanphawut Rd., South Bangna Sub-District, Bangna District,
Bangkok 10260



1.2 The person asking for advice may not reveal himself. However, specifying the person's name will enable a direct and quick response to the suggestion.

2) Complaints and Whistleblowing: If anyone has clues about illegal acts, ethics, or behavior that may imply corruption or misconduct or received unfair from the performance of employees or found a defect in the Company's internal control system, can report clues to the Company as follows:



Email : whistleblower@comseven.com

Post Mail : Chairman of the Audit Committee
Com7 Public Company Limited
549/1 Sanphawut Rd., South Bangna Sub-District
Bangna District, Bangkok 10260

Comment Box : Human Resources Department



Complaints Handling Procedure

- 1) The Audit Committee will assign the internal auditors or appoint a committee to investigate facts and inform the audit results periodically to the whistleblower or complainant when receiving the whistleblowing.
- 2) Suppose the investigation found that there is reason to believe that the accused person committed corruption. In that case, the Company will give the accused the right to acknowledge and prove by seeking additional information or evidence to show that they are not involved in the alleged dishonesty.
- 3) If the accused has actually committed corruption, those who commit fraud, whether they are directors, executives, or employees, are considered in breach of the Anti-Corruption Policy and Code of Business Conduct of the Company must be regarded as disciplinary following the regulations set by the Company. If dishonesty is an offense against the law, the offender may face legal punishment. However, disciplinary penalties according to the Company's regulations, the Audit Committee's decision is final. The Company has no policy to demote, punish, or adversely affect employees who refuse to be corrupt. Even if doing so would cause the Company to lose a business opportunity.

Protection and Confidentiality Measures

- 1) The Company shall keep the information of the complainant and the accused confidential and disclose information as necessary regarding the safety and damage of the complainant.
- 2) The complainant can request the Company to prescribe protective measures as appropriate. The Company may define protection measures for the complainant without asking if it considers a risk that the complainant will be insecure or damaged. The Company shall not take any action unfair to the complainant, whether it is a change of job position, job description, workplace, threats, disrupting operations, employment termination, etc.

Code of Business Conduct

The Company is committed to doing the right thing and conducts business following operational guidelines under the law. Encourage the directors, executives, and employees of the Company to have a good practice and behave in a way that is appropriate for professional business, including having virtue, be responsible for the economy and society as a whole. It promotes a good corporate governance system based on honesty, justice, transparency, including standing for fairness and integrity. Value the customer, have a social responsibility, do not involve in politics, and consider all stakeholders' groups. Do not involve human rights violations and corruption. Do not accept compensation that is more than usual. Do not be involved in demanding, receiving, or paying a bribe. There is no conflict of interest, and do not do anything that violates others' intellectual property or copyright. It is the main principle based on the "Code of Business Conduct and Practices" that promotes directors' and executives' performance to achieve the Company's objectives, vision, and goals. It helps increase the efficiency of work in the organization (study the full policy and guidelines at <http://www.comseven.com> under the Investor Relations category). In 2021, there were no disputes between the Company or its subsidiaries and customers.

The Company has prepared the Code of Business Conduct and the Code of Conduct for Directors, Executives, and Employees to adhere to the following guidelines:

- 1) Code of Business Conduct is the practice for the Company.
- 2) Code of Conduct for Directors is the practice for directors.
- 3) Code of Conduct for Executives is the practice for executives.
- 4) Code of conduct for Employees is the practice for employees.
- 5) Code of Conduct for Investor Relations is the practice for the investor relations officer.
- 6) Code of Conduct for Stakeholders is the practice for shareholders, employees, customers, business partners, creditors, competitors, community society, and environment.

The Company provides a process to help promote and support the organization's culture that gives employees a common practice and a sense of purpose with the organization to create sustainable values for the organization as follows:

- 1) Require the directors, executives, and employees to strictly follow each group's code of conduct, including monitoring of operations.
- 2) Organize training on code of business conduct and code of conduct for employees by integrating the training content into new employees' training course. It ensures that employees at all levels are aware, understand, and can apply them following the principles of good governance, code of business conduct, and work practices.
- 3) Promote awareness of the Company's code of business conduct for directors, executives, and employees by publishing on the Company's website (<http://www.comseven.com>) and through the Company's IT EASY Application channel every year. Ask for cooperation for the directors, executives, and employees to complete 100% of the Code of Conduct questionnaires.

Besides, the Company has established and promulgated the Supplier Code of Conduct and Guideline for its partners to use as a guideline for conducting business and responsibility in the supply chain.

Significant Changes and Developments of Policy, Practices and Corporate Governance System in the past year

Significant Changes and Developments of the Company Policy

In 2021, the Board of Directors approved a review and revision of the good corporate governance policy, corporate sustainability development policy, business ethics, and code of conduct, to be appropriate and following the Company's situation, approved by the Board of Directors meeting No. 1/2021 on February 23, 2021. It shows that the Company has improved the policy, guidelines, and corporate governance system continuously. It increases regulatory efficiency and raises the Company's corporate governance standards, which is in line with the good corporate governance principles for listed companies in 2017 (CG Code) at least once a year.

Assessment Certifications Related to Good Corporate Governance

Shareholder Meeting Quality Assessment Project

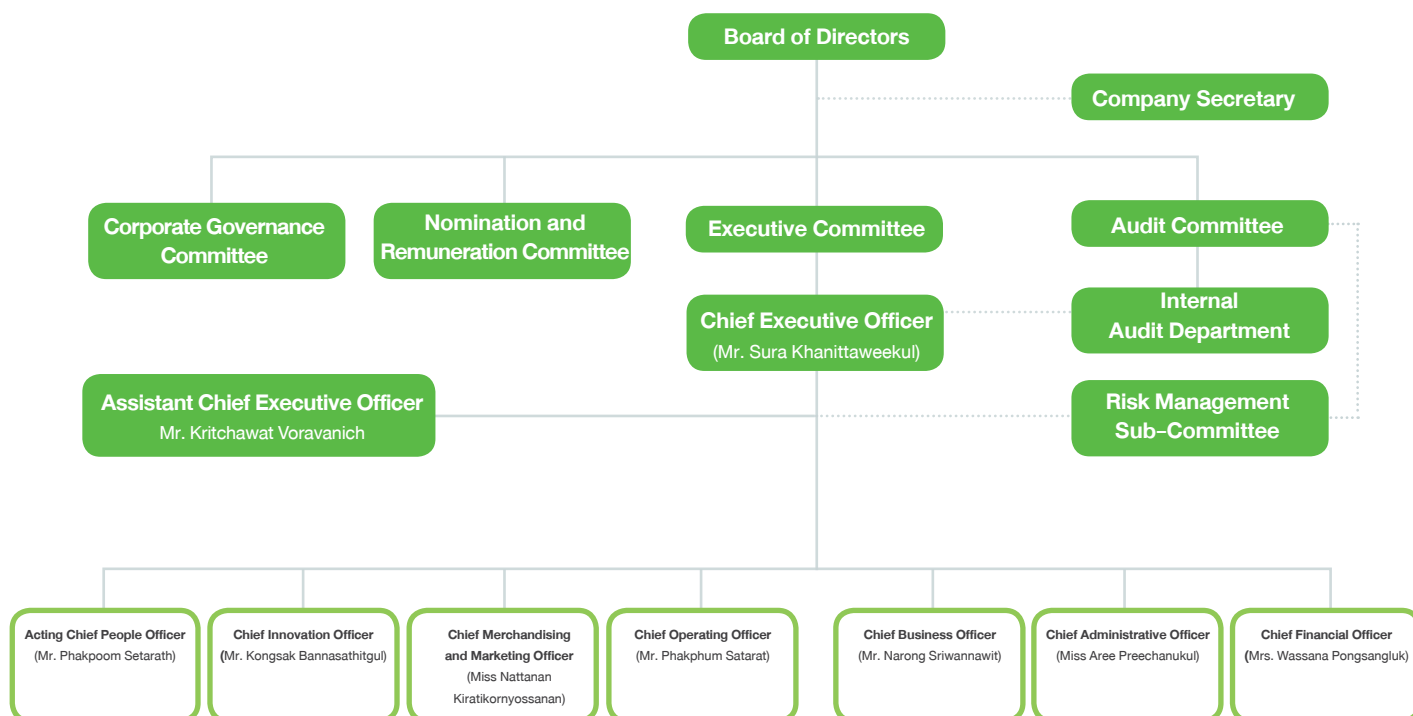
Thai Investors Association has organized a project, "Quality Assessment of AGM of Listed Companies," which has been performed continuously since 2006. It allows listed companies to demonstrate the importance of rights and equal treatment of shareholders, including transparent disclosure of information. Both listed companies and shareholders have well-received it in attending the annual general meetings of listed companies consistently. It encourages listed companies to attach importance to the annual shareholders' meeting. It also maintains the yearly shareholder meeting's standard to have similar means and be recognized internationally, including creating a good image for the Thai capital market in terms of participation, rights of shareholders, and management with good corporate governance. Besides, it encourages shareholders to realize the benefits of attending shareholders' meetings and to build cooperation and good relations among the agencies involved in the capital market.

Based on the 2021 Annual General Meeting of Shareholders' quality assessment results, the Company received a full score of 100, which was in the "Excellent" criteria in the 2021 Annual General Meeting of Shareholders Quality Assessment Project, conducted by the Thai Investors Association.

CORPORATE GOVERNANCE STRUCTURE AND SIGNIFICANT INFORMATION REGARDING BOARD OF DIRECTORS, SUB-COMMITTEES, MANAGEMENT, EMPLOYEES, AND OTHERS

Corporate Governance Structure

Corporate Governance Structure as of December, 31, 2021



Board of Directors and Sub-Committees

Name	Board of Directors	Sub-Committees				
		Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Subcommittee	Corporate Governance Committee ^{/2}
Mr. Siripong Sombatsiri ^{/1}	Chairman and Independent Director	Chairman and Independent Director	-	-	-	-
Dr. Somboon Aueatchasai ^{/1}	Independent Director	Independent Director	-	-	-	Chairman and Independent Director
Mr. Kashpol Chulajata	Independent Director	Independent Director	Chairman and Independent Director	-	-	Independent Director
Mr. Sura Khanittaweekul	Executive Director	-	-	Chairman of Executive Committee	-	-
Mr. Kritchawat Voravanich	Executive Director	-	-	Executive Committee	Chairman of the Risk Management Subcommittee	-
Ms. Aree Preechanukul	Executive Director	-	Executive Director	Executive Committee	Risk Management Subcommittee	-
Mr. Kongsak Bannasathitgul	Executive Director	-	Executive Director	Executive Committee	Risk Management Subcommittee	-
Ms.Natthanan Keeratikomyossanan	-	-	-	Executive Committee	Risk Management Subcommittee	-
Mrs. Wassana Pongsangluk ^{/1}	-	-	-	Executive Committee	Risk Management Subcommittee	Executive Committee
Mr. Phakphum Satarat	-	-	-	Executive Committee	-	-
Mr. Narong Sriwannawit	-	-	-	Executive Committee	-	-
Mr. Thanathus Taneesan	-	-	-	-	Risk Management Subcommittee	-
Mr. Attapol Wattanachinda	-	-	-	-	Risk Management Subcommittee	-

Note

^{/1} Mr. Siripong Sombatsiri, Dr. Somboon Aueatchasai, and Mrs. Wassana Pongsangluk are the directors with accounting and finance experience. Details are shown in the profile of the board of directors and management.

^{/2} Announcement of the appointment of the Corporate Governance Committee on May 12, 2021

Board of Directors Meeting Attendance

Name	Board of Directors ^{/2}	Number of Meetings Attended / Number of Meetings Held ^{/1}				
		Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Subcommittee	Annual General Meeting of Shareholders
Mr. Siripong Sombatsiri	7/7	4/4	-	-	-	1/1
Dr. Somboon Aueatchasai ^{/2}	7/7	4/4	-	-	-	1/1
Mr. Kashpol Chulajata	7/7	4/4	2/2	-	-	1/1
Mr. Sura Khanittaweekul	7/7	-	-	12/12	2/2	1/1
Mr. Kritchawat Voravanich	7/7	-	-	12/12	2/2	1/1
Ms. Aree Preechanukul	7/7	-	2/2	12/12	2/2	1/1
Mr. Kongsak Bannasathitgul	7/7	-	2/2	12/12	2/2	1/1
Ms. Natthanan Keeratikornyossanan	-	-	-	12/12	2/2	1/1
Mrs. Wassana Pongsangluk	-	-	-	12/12	2/2	1/1
Mr. Phakphum Satarat	-	-	-	12/12	-	1/1
Mr. Narong Sriwannawit	-	-	-	12/12	-	1/1
Mr. Thanathus Taneesan	-	-	-	-	2/2	1/1
Mr. Attapol Wattanachinda	-	-	-	-	2/2	1/1

Note

^{/1} The number of meetings attended includes joining by teleconferencing and electronic conferencing.

^{/2} In 2021, there was one meeting among non-executive directors on February 23, 2021.

Report of Changes in Securities Holding of Directors and Executives in the Company and its Subsidiaries

Information as of December 31, 2021

Name	Ordinary Share (Shares)	
	31/12/2020	31/12/2021
1. Mr. Siripong Sombatsiri	-	-
Spouse	-	-
Underage Child	-	-
2. Dr. Somboon Aueatchasai	-	-
Spouse	-	-
Underage Child	-	-
3. Mr. Kashpol Chulajata	-	-
Spouse	-	-
Underage Child	-	-
4. Mr. Sura Khanittaweekul	300,655,200	300,655,200
Spouse	-	-
Underage Child	-	-
5. Mr. Kritchawat Voravanich	12,840,000	12,840,000
Spouse	-	-
Underage Child	-	-
6. Ms. Aree Preechanukul	40,600,000	40,600,000
Spouse	-	-
Underage Child	-	-
7. Mr. Kongsak Bannasathitgul	370,000	370,000
Spouse	-	-
Underage Child	-	-
8. Ms. Natthanon Keeratikornyossanan	6,500,000	6,500,000
Spouse	-	-
Underage Child	-	-
9. Mrs. Wassana Pongsangluk/1	-	-
Spouse	-	-
Underage Child	-	-
10. Mr. Phakphum Satarat	-	-
Spouse	-	-
Underage Child	-	-
11. Mr. Narong Sriwannawit	-	-
Spouse	-	-
Underage Child	-	-

Note

¹ Chief Financial Officer

Information of the Board of Directors

The Company's management structure consists of the Board of Directors and five sub-committees, namely the Audit Committee, the Nomination and Remuneration Committee, the Executive Committee, the Risk Management Subcommittee, and the Corporate Governance Committee. The Company's directors, members of the Audit Committee, members of the Nomination and Remuneration Committee, including the executives, have qualifications and do not have any prohibited characteristics as required by relevant laws. The details of the Company's management structure are as follows:

Board of Directors

As of December 31, 2021, the Company's Board of Directors consists of 7 directors, namely:

Name	Position
1. Mr. Siripong Sombatsiri	Chairman of the Board and Independent Director
2. Mr. Sura Khanittaweeul	Vice Chairman
3. Ms. Aree Preechanukul	Director
4. Mr. Kritchawat Voravanich	Director
5. Mr. Kongsak Bannasathitgul	Director
6. Dr. Somboon Aueatchasai ¹	Independent Director
7. Mr. Kashpol Chulajata	Independent Director

Ms. Sasipa Sawangsawai is the Company Secretary.

Authorized Director

Mr. Sura Khanittaweeul or Mr. Kritchawat Voravanich or Ms. Aree Preechanukul or Mr. Kongsak Bannasathitgul, two-fourths of authorized directors jointly sign with the Company's seal.

Information of the Board of Directors and the Company's controlling person individually

Information can be viewed from "Information of the Board of Directors and Sub-Committees" page 135.

The Scope of Duties and Responsibilities of the Board of Directors

1. The Board of Directors has power, duties, and responsibilities for managing and operating the Company's businesses following the laws, objectives, the Articles of Association of the Company, and the resolution of the shareholders' meeting with honesty and carefully protects the Company's interests.
2. Arrange to have a balance sheet and profit and loss statement of the Company at the end of the accounting period, which the auditor reviewed and propose to the shareholders' meeting for consideration and approval.
3. Determine targets, directions, policies, business operation plans, and the Company's budget, including monitoring and supervising the executive's administration and management to comply with the set guidelines, procedures, and budget efficiently and effectively.
4. Consider, review, and approve the policies, directions, strategies, and business operation plans proposed by the management.

5. Regularly monitor the operation to comply with the business plan and budget.
6. Ensure that the Company and its subsidiaries have the appropriate and efficient accounting system and provide reliable financial reports and auditing, including providing the proper internal control and internal audit procedures.
7. Consider establishing the risk management policy to cover all the Company's activities and supervise its systems or processes with appropriate measures to support and control methods to reduce the impact on the Company's business.
8. Consider determining the management structure. Have authority to appoint the Executive Committee, Chief Executive Officer, and other sub-committees as appropriate, including assessing the scope of powers and duties of the Executive Committee, Chief Executive Officer, and sub-committees as appointed.

However, the scope of authority shall not authorize the Executive Committee, Chief Executive Officer, and sub-committees to approve transactions that may have a conflict of interests between the Company and subsidiaries (if any). Except, it is to approve transactions following the policies and criteria already approved by the Board of Directors.

9. Oversee the management and operation of the Company and its subsidiaries to comply with the specified policies, the Securities and Exchange Act, notification of the Capital Market Supervisory Board, and regulations of the Stock Exchange of Thailand, such as related transaction and the acquisition or disposition of significant assets as far as it does not conflict other laws.
10. The Board may authorize one or more directors or any other person(s) to perform any action on behalf of the Board under its control or delegate to such person to have authority as the Board deems appropriate within the period under the Board's discretion. The Board may revoke, change or modify the authorization when seeing appropriate.

However, the authorization shall not possess to make such individuals to be able to approve the transaction that the person or others may have a conflict of interest and personal gain or may have a conflict of interest in any other way with the Company or its subsidiaries as defined in the Regulations of the Capital Market Supervisory Board and/or SET and/or any announcement of the entities involved unless the approval is following the policies and guidelines and approved by the Board.

Term of Office of Directors

At the Annual General Meeting of Shareholders, one-third (1/3) of all directors shall resign by rotation. In case the number of resigned directors cannot be preceded, the similar amount to one-third of the directors to resign during the first year. The resigning directors may be re-elected. The directors vacating from office in the first and second years after conversion can be selected by drawing lots. The following year the director who is longest in the office shall retire. However, Directors who are retired may be re-elected by the shareholders' meeting.

Apart from retirement upon the expiration of the term of office, the directors shall be vacated upon:

1. Death
2. Resignation
3. Lack of qualifications or obtain prohibited characteristics under the law.
4. The shareholders' meeting resolution with a vote of not less than three-fourths of the total number of shareholders attending the meeting and have voting rights and having a total of not less than half of the shares held by the shareholders attending the meeting and eligible to vote.
5. The court has issued an order.



Nomination of Directors

The Board has established the Nomination and Remuneration Committee, responsible for selecting persons who with knowledge, skill, and experience, including the excellent background of working, having leadership and vision as well as morality, ethics, and positive attitude towards the organization, or persons devoting themselves to conduct business operations. Besides, it needs to consider the appropriate qualifications complying with the composition and the directors' structure according to the Company's business strategy to propose to the Board of Directors and/or the shareholders' meeting (as the case may be).

The meeting of shareholders shall elect the directors under the following rules and procedures:

- (1) A shareholder shall have one vote for each share he holds or represents.
- (2) Each shareholder may exercise all the votes he or she has to select one or several persons as directors. If several persons are to be elected as directors, the shareholder should have equal right of dividing vote.
- (3) The persons receiving the most votes in descending order are elected as directors equal to the number of directors to have or to be selected at that time. If persons who have been elected in descending order of votes equal to or exceed the number of directors to be elected at that time, the remaining appointments shall be made by drawing lots.

Directors' Remuneration Policy

The Company has set the directors' remuneration for 2021, providing for the Board and the Audit Committee. The payment for the year 2021 is at the same rate in 2020, by paying in the form of monthly remuneration, meeting allowance, and bonus with details as follows:

Remuneration for Individual Board

a) Monetary Compensation

The 2021 Annual General Meeting of Shareholders on April 22, 2021, resolved to determine the directors' remuneration as follows:

(1) Monthly Remuneration

Position	Remuneration
Chairman of the Board	20,000 baht / month
Chairman of the Audit Committee	20,000 baht / month
Director	10,000 baht / month
Audit Committee Member	15,000 baht / month

Note

1. The Company does not have the policy to pay remuneration to the Executive Committee.
2. The Audit Committee shall receive remuneration as an Audit Committee only.

(2) Meeting Allowance

Position	Remuneration
Chairman of the Board	40,000 baht / time
Chairman of the Audit Committee	40,000 baht / time
Director	20,000 baht / time
Audit Committee Member	25,000 baht / time

Note

1. The Company shall pay meeting allowances according to the number of the Director's attendance and not exceeding 6 times per year. The Directors or Audit Committee Members shall not receive meeting allowances exceeding 6 meetings.

(3) Directors' bonus of 3,000,000 Baht shall be paid for Independent Directors only.

The Board of Directors has determined the remuneration for the Company's sub-committees, which they shall receive compensation as detailed above.

Details of the Directors' Remuneration for the year 2020 and 2021

(Unit: Baht)

Name	2020	2021
1. Mr. Siripong Sombatsiri	1,720,000	1,480,000.00
2. Mr. Sura Khanittaweekul	260,000	220,000.00
3. Ms. Aree Preechanukul	260,000	240,000.00
4. Mr. Kritchawat Voravanich	260,000	240,000.00
5. Mr. Kongsak Bannasathitgul	260,000	220,000.00
6. Ms. Vareeporn Udomkunnatum ^{/1}	1,075,000	600,000.00
7. Mr. Kashpol Chulajata	1,260,000	1,230,000.00
8. Dr. Somboon Aueatchasai ^{/2}	74,500	305,000.00
Total	5,169,500	4,735,000.00

Note

^{/1} Ms. Vareeporn Udomkunnatum resigned from the Company's director and independent director position effective from August 31, 2020.

^{/2} Dr. Somboon Aueatchasai was appointed as the Company's director and independent director instead of the resigned director (Ms. Vareeporn Udomkunnatum) effective from November 12, 2020.

b) Non-Monetary Compensation/Other Compensation

The 2021 Annual General Meeting of Shareholders held on April 22, 2021, resolved to determine the directors' remuneration as follows:

-None-

Information of the Sub-Committees

Audit Committee

The Audit Committee consists of 3 members as follows:

Name	Position
1. Mr. Siripong Sombatsiri	Chairman of the Audit Committee and Independent Director
2. Dr. Somboon Aueatchasai	Audit Committee Member and Independent Director
3. Mr. Kashpol Chulajata	Audit Committee Member and Independent Director

Mr. Siripong Sombatsiri, the Chairman of the Audit Committee, has sufficient knowledge and experience in finance and accounting to review and ensure the correctness and reliability of the Company's financial statements. He graduated bachelor's degree in accounting from Chulalongkorn University and a Master of Business Administration from Sul Ross University, USA. He is currently the Chairman of the Audit Committee of Pan Asia Footwear Public Company Limited, Audit Committee of Bangkok Chain Hospital Public Company Limited, and Director of AP (Thailand) Public Company Limited.

Ms. Piyaporn Bandasak serves as the secretary of the Audit Committee.

Term of office of the Audit Committee

Chairman of the Audit Committee 3 years or equivalent to the term of the Company's director

Audit Committee Member 3 years or equivalent to the term of the Company's director

After the term is expired, the Audit Committee Chairman and members who vacate office upon the expiration of the term may be re-appointed.

Scope of Duties and Responsibilities of the Audit Committee

1. Review the Company's financial report to ensure that it is accurate and adequate.
2. Review the internal control system and internal audit system of the Company to ensure their appropriateness and efficiency.
Review the Internal Audit Office's independence and approve the appointment, transfer, and dismissal of the head of the Internal Audit Office or the head of any other unit in charge of an internal audit.
3. Review the Company's compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations, and the laws relevant to the Company's businesses.
4. Consider, select, and nominate the independent person(s) to be elected as the Company's external auditor(s) as well as to propose their remuneration, and to attend a meeting with the external auditor(s) without the management at least once a year.
Consider related party transactions or transactions that may lead to conflicts of interests to ensure that those transactions comply with the laws and regulations of the Stock Exchange of Thailand and are justifiable and for the utmost benefit of the Company.
5. Prepare the Audit Committee's report and disclose it in the Company's annual report. The said report must be signed by the Chairman of the Audit Committee and must contain at least the following information:
 - (A) Opinion on the accuracy, completeness, and credibility of the Company's financial reports
 - (B) Opinion on the adequacy of the Company's internal control system
 - (C) Opinion on compliance with the securities and exchange laws, the regulations of the Stock Exchange of Thailand, or the laws relevant to the Company's businesses
 - (D) Opinion on the suitability of external auditor(s)
 - (E) Opinion on the transactions that may lead to conflicts of interests
 - (F) Number of the Audit Committee meetings and the meeting attendance by each member
 - (G) Opinion or overall remark of the Audit Committee derived from their duties' performance under the Audit Committee Charter Scope
 - (H) Other transactions that the shareholders and general investors should acknowledge and are in the scope of the duties and responsibilities assigned by the Board of Directors
6. Perform any other activities as assigned by the Board of Directors with the approval of the Audit Committee.

The Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of 3 members as follows:

Name	Position
1. Mr. Kashpol Chulajata	Chairman of the Nomination and Remuneration Committee
2. Mr. Kongsak Bannasathitgul	Member of the Nomination and Remuneration Committee
3. Ms. Aree Preechanukul	Member of the Nomination and Remuneration Committee

The Human Resources Manager serves as secretary of the Nomination and Remuneration Committee.

Scope of duties and responsibilities of the Nomination and Remuneration Committee

1. Recommend on structure, size, and composition of the Board of Directors and each sub-committee, and specify nomination procedure and criteria according to the structure, size, and composition as prescribed.
2. Consider the qualified persons to undertake as directors, sub-committee, chief executive officer, and propose to the board of directors meeting and/or the shareholders' meeting in the case of a vacancy.
3. Consider policies and guidelines of nomination and compensation, both monetary and non-monetary, for the Board, sub-committee, and chief executive officer in compliance with the Company's operating results and other companies in the same industry
4. Evaluate the Company's performance to determine bonus and annual salary increase using standard criteria appropriated for consideration.
5. Perform any other duties as assigned by the Board of Directors.

The delegation of authorization and responsibilities of the Nomination and Remuneration Committee shall not appear to be authorization or sub-authorization to an attorney that may have a conflict of interests or gain with the Company and/or its subsidiaries and/or related companies (as defined by the Notification of the Capital Market and/or related organization). The Nomination and Remuneration Committee has no power to authorize such action on the matter. It has to be submitted to the Board of Directors and/or shareholders' Meeting (as applicable) for approval.

Executive Committee

The Executive Committee consists of 8 members as follows:

Name	Position
1. Mr. Sura Khanittaweekul	Chairman of Executive Committee
2. Ms. Aree Preechanukul	Executive Committee
3. Mr. Kritchawat Voravanich	Executive Committee
4. Mr. Kongsak Bannasathitgul	Executive Committee
5. Ms. Natthanan Keeratikornyossanan	Executive Committee
6. Mrs. Wassana Pongsangluk	Executive Committee
7. Mr. Phakphum Satarat	Executive Committee
8. Mr. Narong Sriwannawit/1	Executive Committee

Scope of duties and responsibilities of the Executive Committee

1. Operate and manage the Company's affairs following the objectives, article of association, policies, regulations, orders, and resolutions of the Board of Directors and/or the Company's shareholders' meeting.
2. Consider the management's proposal and propose the Company's policies, objectives, business strategies, investment, and business expansion, including a budget, to the Board of Directors' meeting for further approval.
3. Consider and approve the operations of ordinary business transactions of the Company according to the investment budget or budget approved by the Board. Each transaction's credit limit is specified in the table of authorities but not exceeding the annual budget approved by the Board of Directors, including entering into contracts related to the matters mentioned above.
4. Monitor the implementation of policies and objectives as prescribed by the Board and supervise to ensure that the operation shall have quality and efficiency.
5. Have the power to approve the cost of normal business operations of the Company, such as purchasing. Each transaction's credit limit is specified in the table of authorities but not exceeding the annual budget approved by the Board of Directors, including entering into contracts related to the matters mentioned above.
6. Have the power to consider and approve the expenditures of significant investments set in the annual budget as assigned by the Board of Directors. Or the Board of Directors has previously approved in principle.
7. Have the power to approve the Company's cost of normal business operations according to the approved budget and the approval authority approved by the Board of Directors.
8. Have the power to procure a place for expanding the branch and approve to establish any offices, including the cost of its operations as specified in the business plan or annual budget approved by the Board of Directors. Each transaction's credit limit is specified in the table of authorities but not exceeding the annual budget approved by the Board of Directors, including entering into contracts related to the matters mentioned above.
9. Have the power to approve any acquisition of credit or loan of the Company. Each transaction's credit limit is specified in the table of authorities approved by the Board of Directors. In this case, the Company's assets are required as collateral and must be present for approval from the Company's Board of Directors.
10. Determine the organizational structure and administrative authority. Consider salary adjustments, the bonus from CEO level down, including considering approving human resources rates that are not in the annual budget.
11. Have the power to authorize an attorney (s) for an operation under the Executive Committee's control or delegate to such persons to have the authority following the Board of Directors deems appropriate and within the suitable time. The Executive Committee may revoke or amend the attorney or the authorization as see appropriate.
12. Perform any operations according to the assignment from the Board of Directors from time to time.

The delegation of authorization and responsibilities of the Executive Committee shall not appear to be authorized or sub-authorization to an attorney that may have a conflict of interests or gain with the Company and/or its subsidiaries and/or related companies (as defined by the Notification of the Capital Market and/or related organization). The Executive Committee has no power to authorize such action on the matter. It has to be submitted to the Board of Directors and/or shareholders' Meeting (as applicable) for approval unless the approval is following normal business and standard commercial terms required by the Capital Market Supervisory Board and/or SET and /or the relevant organizations.

Risk Management Subcommittee

The Risk Management Subcommittee consists of 7 members as follows:

Name	Position
1. Mr. Kritchawat Voravanich	Chairman of the Risk Management Subcommittee
2. Ms. Aree Preechanukul	Member of the Risk Management Subcommittee
3. Mr. Kongsak Bannasathitgul	Member of the Risk Management Subcommittee
4. Ms. Natthanan Keeratikornyossanan	Member of the Risk Management Subcommittee
5. Mrs. Wassana Pongsangluk	Member of the Risk Management Subcommittee
6. Mr. Thanathus Taneesan	Member of the Risk Management Subcommittee
7. Mr. Attapol Wattanachinda	Member of the Risk Management Subcommittee

Scope of duties and responsibilities of the Risk Management Subcommittee

1. Propose the policy and framework of Integrated Risk Management to the Audit Committee to consider and set the policy for implementation throughout the organization.
2. Monitor the implementation of the Company's risk management plan.
3. Communicate with the Audit Committee on material risks.
4. Report to the Audit Committee on risks and risk management.

Corporate Governance Committee

The Corporate Governance Committee consists of 3 members as follows:

Name	Position
1. Dr. Somboon Aueatchasai	Chairman of the Corporate Governance Committee
2. Mr. Kashpol Chulajata	Member of the Corporate Governance Committee
3. Mrs. Wassana Pongsangluk	Member of the Corporate Governance Committee

Scope of duties and responsibilities of the Corporate Governance Committee

1. Consider and approve the Company's policies, strategies, goals, practices, and plans on corporate governance and social responsibility and propose to the Board for consideration and approval.
2. Promote the participation of the Board of Directors, Executives, and practitioners in corporate governance and social responsibility activities of the Company.
3. Supervise to ensure compliance with policies and/or regulations related to the Company's corporate governance.
4. Regularly monitor and report performance results to the Board after every meeting of the Corporate Governance Committee.
5. Regularly review and propose improvements to the Company's corporate governance policies and practices as appropriate by comparing it with leading companies and recommending it to the Board of Directors for continual improvement.
6. Perform any other duties related to corporate governance as assigned by the Board.

Management

As of December 31, 2021, the Company's management team consists of 8 members as follows:

Name	Position
1. Mr. Sura Khanittaweekul	Chief Executive Officer
2. Miss Aree Preechanukul	Chief Administrative Officer
3. Mr. Kritchawat Voravanich	Assistant Chief Executive Officer
4. Mr. Kongsak Bannasathitgul	Chief Innovation Officer
5. Miss Nattanan Kiratikornyossanan	Chief Merchandising and Marketing Officer
6. Mrs. Wassana Pongsangluk	Chief Financial Officer
7. Mr. Phakpoom Setarath	Chief Operating Officer / Acting Chief People Officer
8. Mr. Narong Sriwannawit	Chief Business Officer

Scope of duties and responsibilities of the Chief Executive Officer

1. Oversee the Company's business operations and/or the Company's daily operations.
2. Prepare the policies, directions, strategies, business plans, investment budget, and management structure of the Company as well as the basis for conducting business in compliance with economic conditions to propose to the Executive Committee and the Board for further approval.
3. Perform and administrate to comply with the policies, plans, and budgets approved by the Board of Directors and/or the Executive Committee.
4. Oversee the Company's operations to meet with the policies, business plans, and budgets approved by the Board, including review and assess the performance as policy prescribed and report the operation's progress to the Executive Committee, Audit Committee, and the Board of Directors.
5. Consider and approve the operations of ordinary business transactions of the Company according to the investment budget or budget approved by the Board. Each transaction's credit limit is specified in the table of authorities but not exceeding the annual budget approved by the Board of Directors, including entering into contracts related to the matters mentioned above.
6. Have the power to approve the payment for normal business operations of the Company such as purchasing. Each transaction's credit limit is specified in the table of authorities but not exceeding the annual budget approved by the Board of Directors, including entering into contracts related to the matters mentioned above.
7. Have the power to consider and approve the expenditures of significant investments set in the annual budget as assigned by the Board of Directors. Or the Board of Directors has previously approved in principle.
8. Have the power to approve the Company's cost of normal business operations according to the approved budget and the approval authority approved by the Board of Directors, including entering into contracts related to the matters mentioned above.
9. Set up the organizational structure, including the appointment, hiring, and relocation, determination of wages, compensation, bonus, and employee termination from level C2 below.
10. Have the power to issue orders, regulations, and notifications to ensure that the operations comply with the Company's policy and interest in order to maintain discipline within the organization.

11. Coordinate with the head of the internal audit and the audit committee to ensure that the business operations and risk management comply with the Company's objectives, regulations, and policies as defined on good corporate governance.
12. Have the power to delegate authority or authorize an attorney (s) for the operations which such assignment shall be under the authorization scope of the power of attorney and/or to comply with the rules and regulations prescribed by the Board of Directors and/or the Company.
13. Perform any operations according to the assignment from the Board of Directors or any other sub-committee from time to time.

In carrying out any matters that the Chief Executive Officer or an attorney may have a conflict of interests or gain with the Company and/or its subsidiaries and/or related companies (as defined by the Notification of the Capital Market and/or related organization), the Chief Executive Officer has no power to authorize such action on the matter. It has to be submitted to the Board of Directors and/or shareholders' Meeting (as applicable) for approval unless the approval is following normal business and standard commercial terms required by the Capital Market Supervisory Board and/or SET and /or the relevant organizations.

Remuneration Policy for Director, Executive, and Employee

The Company's Remuneration Policy shall apply to all employees. It ensures that the Company will attract, develop, and retain high-performing and motivated employees in a competitive marketplace. Employees are offered compensation at an appropriate rate and in line with market guidelines, which is a critical remuneration component. As a result, employees feel empowered to create sustainable products and enable the Company to sustain growth.

The Company focuses on providing remuneration and benefits similar to other companies in the same industry. The Company has emphasized hiring by considering the capabilities and performance according to employees' competence in different positions without discrimination and providing equal opportunities for women, the disabled, the disadvantaged. Take into account the principles of fairness, equality, suitable qualifications, and promote career advancement for sustainable growth with the Company. The employee remuneration policy is established both short-term and long-term consistent with the Company's performance and the employees' performance as follows:

1. Short-Term Return, the Company has set a compensation payment comparable to the general payout rate of companies in the same business to maintain and strengthen the competitiveness of the Company's human resources. Besides, the Company has set annual bonus payments based on the performance following the Company's evaluation.
2. Long-Term Return, the Company has set measuring employees' performance and potential and shall pay appropriate compensation to the highly competent employees.

In addition to paying compensation, the Company has taken care of various welfare benefits appropriately by regularly reviewing various benefits to comply with the changing economic and social conditions, such as the annual health check, travel expenses, accommodation expenses, and provident fund.

Note: the Company does not have the policy to pay remuneration to the Executive Committee.

Total Remuneration to Directors and Executives

In 2020 - 2021, the Company paid remuneration as salary, bonus, and other compensation to the Company's executives and its subsidiaries as follows:

Types of Compensation	2020 (Million Baht)	2021 (Million Baht)
Salary and other short-term benefits	55.41	59.19
Post-employment benefits	1.49	2.14
Total	56.90	61.96

Information of the Employees

Number of Personnel

As of December 31, 2019 - 2021, the Company and its subsidiaries had employees and personnel of 4,075 people, 3,883 people, and people, respectively, which can be divided by line as follows:

Personnel Type	31 December 2019 (person)	31 December 2020 (person)	31 December 2021(person)
Executive	8	8	8
Management	85	71	98
Operation	2,778	2,778	3,107
Administration	115	146	170
Finance and Accounting	69	72	72
Legal and Internal Audit	22	21	21
Subsidiary Employees	998	787	851
Total	4,075	3,883	4,327

Employee Compensation

The Company pays compensation to its employees in various ways. These include salary, bonus, and other employee benefits such as commission, position allowance, provident fund, social security, traveling budget following the Company's employment policy and its subsidiaries. The remuneration as mentioned above does not include executive officers. In 2019 - 2021 could be summarized as follows:

Compensation Type	2019 (MB)	2020 (MB)	2021 (MB)
Salary and other short-term benefits	960.37	1,020.73	1,226.41
Post-employment benefits	9.27	7.32	9.94
Total	969.64	1,028.05	1,236.35

Provident Fund

The Company established a provident fund on February 1, 2014, with Kasikorn Asset Management Company Limited to promote long-term savings of employees and create insurance for employees and their families in the event of leaving the job, retirement, or retirement, or death. In addition, provident funds provide incentives for employees to work with the Company for more extended periods. As a result, it generates a good relationship between employers and employees that improves work efficiency. In 2021, it could be summarized as the following table.

Name of the Company/Subsidiary	With/Without PVD	No. of Employees Joined PVD	Employees' PVD Joining Ratio/Total Employees (%)
Com7 Public Company Limited	With PVD	1,002	35.00%
Double Seven Company Limited	With PVD	88	13.58%
See Know How Company Limited	With PVD	18	46.15%
ADEPT Company Limited	With PVD	1	20%



Employee Development Policy

The Company focuses on the continuous development of knowledge, skills, abilities, and potential of personnel at all levels and instilling corporate culture and ethics together to be consistent and support the strategic business plan and ready to support business growth. Human resources are one of the primary resources that support operations. It can create differentiation and a competitive advantage for the business. It is also an important mechanism that will help drive the business to achieve its goals in the future. The Company, therefore, has a policy for personnel development as follows:

1. The Company promotes knowledge development for employees at all levels suitably and adequately.
2. The Human Resources Department is responsible for preparing the annual development plan and a budget for the yearly personnel development expenses on time.

2.1 Training and Development

- 2.1.1 The Company systematically and continuously develops development plans for all employees at all levels every year by creating a clear training roadmap (Training roadmap) divided according to each position level (Level) that corresponds to the duties, responsibilities, and competencies (Competency) needed to perform practical work both in the head office and the storefront business. All courses will focus on the development of employees' abilities as follows:



Core Competency

The ability that represents the organization's working culture that all personnel in the organization should have and in the same direction to enable the organization to achieve its operational goals.



Managerial Competency

The administrative competence that personnel at each level and position need to use for self-management and subordinates to achieve the organization's goals.



Functional Competency

The competence and professional skills necessary to successfully implement a job, which is different according to the nature of the work.

The training roadmap clearly defines the content of training courses that employees at each level must attend. It will be the foundation for developing employees' potential and creating a career path for future employees. There are both performance skills or soft skills that promote Core Competency and Management Competency and hard skills for employees to become proficient in their practice fields, build a variety of work skills, and respond to the development of their career path.

2.1.2 The Company requires all new employees to attend the Company Orientation course in order to focus and remind them to understand and visualize the goals, missions, corporate culture, code of conduct, and anti-corruption policy as well as to create an understanding of the business and build a relationship with the Company from the first day of starting work.

2.1.3 The Company has prepared a short-term training program in the form of knowledge sharing other than the main training plan by inviting speakers specializing in various fields to share knowledge with employees to create new knowledge outside of the main course.

2.2 Development Plan for Leadership and Talent Management

The Company has set a plan to develop leadership potential and manage talent to be ready and lead change and drive strategies towards more effective performance while creating a work culture and values that can help promote and drive the development of modern management systems. It is a form of continuous human resource development throughout the year to ensure continuity and to be able to create a group of executives in the future. A development plan is according to the concept of 70-20-10 ratio as follows:

Ratio **10%**



Learning and development through formal training process (Formal Training), the Company will have various courses in the classroom format (Classroom Training) is provided based on the training roadmap of the Human Resources Department prepared.

Ratio **20%**



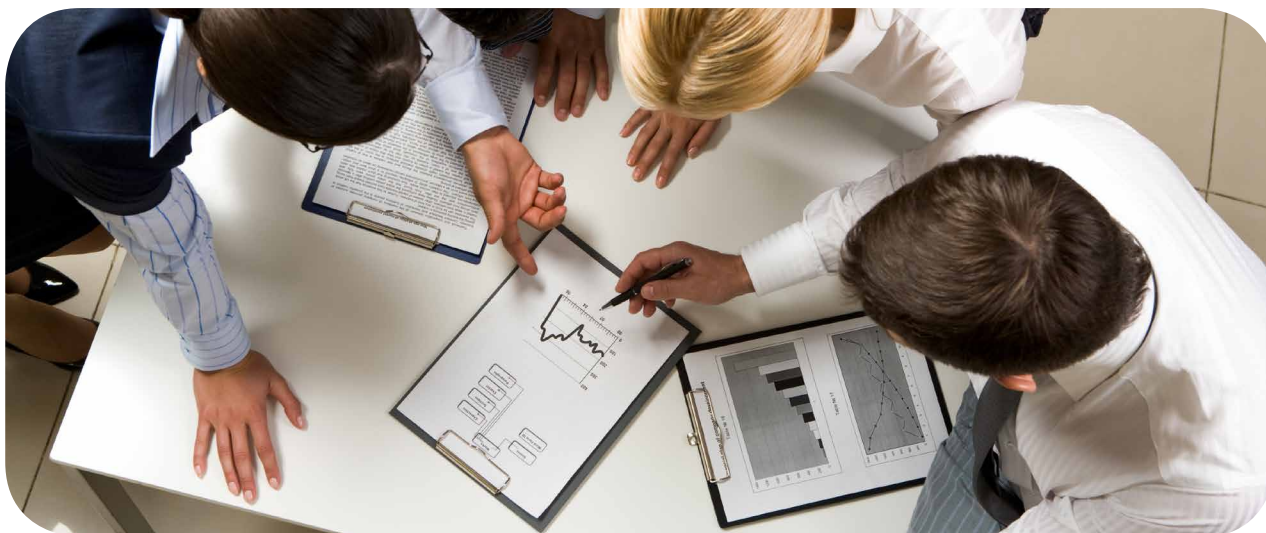
Learning and development from people around them in various roles, learn from senior management, direct supervisor, colleague, a specialist in the form of coaching, training from experts who come as mentors, including feedback, which mainly comes from managers or direct supervisors.

Ratio **70%**



Learning and development through hands-on practice, the Company selects each group of employees to do real projects through a Special Project to increase efficiency in studying.

The development plan has been designed with an important goal that everyone who goes through this project must learn and develop the potential to become a vital force of the Company in the future.



2.3 Knowledge Management Systems in the Organization

The Company provides a system to store data for further employee development or create the body of knowledge to increase employees' potential in a variety of ways. For example, the Performance Management System is a system that the Company has developed for internal use to record and store the annual performance appraisal results. The Company has used to analyze such information, and it is the starting point for further development of training courses in the future. For training, the Company has used the Easy LMS system for learning various courses, including online training evaluation. In addition, the Company has developed upgraded mobile applications (IT Easy Mobile Application) continuously to be used as a common reference source such as information about products, promotions, news, sales analysis, details of various operating procedures, etc. Furthermore, it is used in teaching (Coaching Recognition System (CRS)) knowledge measurement (Knowledge Training Online (Go to training)), resulting in employee awareness and creating learning among employees.

3. The Human Resources Department must follow up on the training plan. If there is a need to change or modify, notify the relevant parties in advance.
4. The Human Resources Department must control the budget for personnel development to be in the budget plan set.
5. The Human Resources Department is responsible for evaluating and following the courses that have already been arranged.
6. The Company encourages its directors to attend training and seminars in relevant and appropriate courses to develop knowledge continually and lead the Company to grow progressively.
7. The Human Resources Department is responsible for coordinating with various departments regarding personnel development to ensure that the plan is consistent with the Company's strategic procedures and business practices and prepare employees to take on increased responsibility, career advancement, and the ability to take vacant positions.
8. Training and Development Management
 - 8.1 The Company arranges for development according to the annual development plan.
 - 8.2 The Company provides additional development from the annual development plan by the related parties requesting to provide.
 - 8.3 The Company sends employees to attend training according to the courses organized by various institutions.
9. The Human Resources Department is responsible for collecting personnel training and development information.
10. Suppose the employee nominated for training is unable to attend the activity on the specified date and time. In that case, he must notify their department manager and HR manager in advance. Approval or not depends on the opinion of the employee's department manager. In case of approval, such events will be recorded in the employee's training history for consideration in selecting future trainees.

Labour dispute in the past 3 years

-None-

Other Significant Information

Company Secretary

The Board of Directors Meeting No. 1/2014 on November 28, 2014, resolved to appoint Ms. Sasipa Sawangsawai to be the Company Secretary. The qualifications of a person holding the position of Company Secretary are shown in Enclosure No.1.

According to Section 89/15 of the Securities and Exchange Act B.E. 2535 (amended B.E. 2551) requires the Company Secretary to be responsible for the following actions on behalf of the Company or the Board of Directors with the scope of authority as follows:

1. Prepare and keep the following documents:
 - (A) The register of directors
 - (B) Board Meeting Invitation Letter, Minutes of the Board of Directors' Meetings, and the Company's Annual Reports
 - (C) Invitation Letter to Shareholders' Meeting and Minutes of the Shareholders' Meeting
2. Maintain a stakeholder report as reported by the directors or executives
3. Perform other actions as specified by the Capital Market Supervisory Board



Head of Internal Auditor

The Company has assigned Ms. Piyaporn Bandasak to take the position of Internal Auditor Manager to supervise the compliance with the agency's rules governing the business of the Company. The qualifications of a person holding the position of Internal Auditor Manager of the Company appear in Enclosure No. 3.

Investor Relations

The Company has assigned Ms. Sasipa Sawangsawai to take a position in investor relations.



IR Contact:



Email : ir@comseven.com



Tel : +66 2017 7777 ext. 7710



Website : <https://www.comseven.com/investor-relations/>


Remuneration of the Auditor

The Company has hired PricewaterhouseCoopers ABAS Co., Ltd. to be the Company's auditor, approved by the 2021 Annual General Meeting of Shareholders. The auditors from the said firm are independent and reliable. They do not provide any other services to the Company. They haven't got any relationship or interest with the Company/subsidiary/management major shareholder or those related to such person in any way. This year, the Company's nominated auditors have performed their functions as the auditor for six consecutive years.

The Company's audit fee for 2021 is in the amount of 5,750,000 baht (the Company has no other service fee than the auditor fee).

Comparison of Audit Fees

Audit Fees	Accounting Year 2020	Accounting Year 2021
Com7 Public Company Limited	2,950,000	2,990,000
Subsidiary Companies	3,027,500	2,760,000
Other Expenses	Actual	Actual
Total	5,977,500	5,750,000



Key Performance Reports on Corporate Governance

Summary of the Board’s Performance

The Board of Directors plays an important role as the shareholders’ representative, ensuring that the determination of the main goal in doing business, vision, mission, strategy, and budget for the management is set. Promote the creation of a corporate culture that adheres to ethics, including behaving as a model, taking care of the structure, and the board’s performance as appropriate for the achievement of objectives and the main goal of conducting business efficiently, including recruiting, developing, setting compensation and evaluating performance.

The Board of Directors works with the management to formulate and review strategies, goals, annual work plans. Jointly supervise the adequacy of the risk management system and internal control. Determine the authority that is appropriate for the management’s responsibilities. Define a resource allocation framework, development, and budgeting such as personnel management policy and plans and information technology policy, including monitoring and evaluating the performance and ensure that financial and non-financial information is disclosed reliably to achieve business objectives. Supervise the management’s operation following the assigned policies with justice, transparency to comply with the laws, regulations, policies, and business ethics.

In 2021, the Board of Directors had acted in the management and operated the Company’s business under the laws, objectives, and regulations of the Company, including the shareholders’ resolution carefully to protect the Company’s interests. There was the significant performance in corporate governance as follows:

Nomination, Development, and Evaluation of the Board's Performance

Independent Director Selection Criteria (Qualifications/Recruitment process)

The Company has defined the definition of the Company's independent directors, a director who is not an executive director (Non-Executive Director), not involved in the management of work, and not a major shareholder of the Company. The Company has set qualifications equal to the Securities and Exchange Commission's minimum requirements and the Stock Exchange of Thailand. The Board of Directors has appointed an Audit Committee, which consists of all independent directors to assist in corporate governance.

Independent director selection criteria are based on the procedure for selecting the Company directors. Qualifications of an independent director shall be determined following the directors' qualifications and prohibited characteristics under the Public Limited Companies Act and the Securities and Exchange Act, as well as relevant announcements, rules, and/or regulations. The independent directors shall have educational qualifications, specialized expertise, work experience, and other suitability to propose to the shareholders' meeting for further election as the Company's directors.

The Company has set the board of directors' composition to consist of at least one-third of the total number of Directors of the Company. The person nominated as an independent director of the Company must meet all the qualifications specified in the definition.

Qualifications of Independent Directors

1. Holding shares of not exceeding 1% of total voting shares of the Company, its parent company, its subsidiaries, its associated companies, or juristic person with a possible conflict of interest, including shares held by related parties.
2. Not being an executive director, employee, staff, corporate advisor receiving a regular salary, or a controlling person of the Company, its parent company, its subsidiaries, its associated companies, its same-level subsidiaries, or juristic person with a possible conflict of interest, unless the foregoing status has ended for more than 2 years.
3. Not being a person related by bloodline or by law in terms of father, mother, spouse, sibling, and child, including the spouse of the children, management, major shareholders, controlling persons, or persons to be nominated as management or controlling persons of the Company or its subsidiaries.
4. Not being or have had a business relationship with the Company, its parent company, its subsidiaries, its associated companies, or juristic person with a possible conflict of interest in the manner that may interfere with his/her independent judgment, or is not or has not ever been major shareholders, a director who is not an independent director, or management of persons having a business relationship with the Company, its parent company, its subsidiaries, its associated companies, or juristic person with a possible conflict of interest unless the foregoing relationship has ended for more than 2 years.
5. The term "business relationship" includes any normal business transaction, rental or lease of immovable property, the transaction relating to assets or services, grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions in the amount of 3% or more of the net tangible assets of the Company or 20 million baht or more, whichever is lower.
6. Not being or have ever been an auditor of the Company, its parent company, its subsidiary companies, its associated companies or juristic person with a possible conflict of interest and is not a major shareholder, a director who is not an independent director, executive, or managing partner of the audit firm which employs auditors of the Company, its parent company, its subsidiary companies, its associated companies or juristic person with a possible conflict of interest unless the foregoing relationship has ended for more than 2 years.
7. Not being or have ever been any professional advisor, including legal or financial advisor who receives an annual service fee exceeding 2 million baht from the Company, its parent company, its subsidiaries, its associated companies, or juristic person with a possible conflict of interest. If the professional service provider is a juristic person, include being a major shareholder, a director who is not an independent director, management, or managing partner of that professional service provider unless the foregoing relationship has ended for more than 2 years.
8. Not being a director representing a Board member of the Company, its major shareholders, or a shareholder related to the major shareholders.
9. Not having any other characteristics that may prevent him/her from expressing independent opinions concerning the Company's operations.

In 2021, the current Independent Committee and Audit Committee consisted of 3 directors following the SEC criteria. The 3 independent directors had no business relationship or professional service in the amount exceeding the specified criteria. There was no impact on the performance of duties and independent opinions. It was the reason and necessity to still or appoint such a person as an independent director.

Nomination of Directors and Appointment of Senior Executives

Directors Selection Criteria

In the nomination, selection, and proposing suitable persons to serve as directors of the Company replacing those who retire by rotation and/or vacate office and/or appoint additional, the Nomination and Remuneration Committee shall consider selecting people by considering knowledge and abilities expertise, and experience. Have a good work profile, far-reaching vision, including having morality and ethics. Be able to devote enough time to the Company and pay attention to duties according to their responsibilities which is beneficial to the Company's business operations. It also takes into account the diversity of the board structure (Board Diversity). Prepare a Skill Matrix for the element and qualifications of the directors to be nominated by considering the lack of essential skills and qualifications suitable and consistent with the composition and structure of directors in the Company's business strategy plan without limitation on gender, age, race, nationality, religion or any other distinction.

Senior Executives Selection Criteria

The Nomination and Remuneration Committee is responsible for recruiting senior management candidates by scrutinizing qualified persons who have knowledge, skills, and experience beneficial to the Company's operations, including understanding the Company's business correctly and managing the work achieve the Company's goals. After selecting suitable persons, the names of the persons will be proposed to the Board of Directors for further approval.

Board Performance Evaluation

The Company has prepared the board self-assessment so that such evaluation has appropriate criteria consistent with good practice and new corporate governance criteria (CG Code) issued by the SEC, including analyzing and evaluating the results obtained from the board's performance appraisal of Directors. Make comments and suggestions using to improve and develop the Board of Directors' performance to be more efficient.



The Board of Directors' Self-assessment

The Board of Directors and Executive Committee regularly conduct a yearly Board Self-Assessment for both faculties and individuals to be a framework to monitor the performance of the duties of the Board, including reconsidering processing commentaries on various issues related to the operations of the Company, and duties of the Board during the past year, to be used to edit and enhance performance.

The Board self-assessment is divided into 5 rankings: 4 = strongly agree, or have performed excellently on the matter, 3 = quite strongly agree, or have performed well. 2 = agree or fair action on the matter 1 = disagree or take action on the matter slightly 0 = strongly disagree or no action has been taken on the matter. Evaluation level criteria representing the percentage of full score in each of the 5 levels, which are:



The results of the Board self-assessment for 2021 were as shown below:

	Board of Directors Assessment	Director Assessment
Assessment Category	<ol style="list-style-type: none"> 1. Structure and qualifications of the Board of Directors 2. Roles and responsibilities of the Board of Directors 3. Board of Directors' meetings 4. Performance as a director 5. Relationship with the management team 6. Director's personal development and development of the management 	<ol style="list-style-type: none"> 1. Structure and qualifications of the Board of Directors 2. Board of Directors' meetings 3. Roles and responsibilities of the Board of Directors
Score	Excellence	Very Good

In 2021, the Board of Directors and the Executive Committee had overall performance in the "Very Good" criteria or the average score of 95%. The Board of Directors performed their duties with knowledge and abilities under the scopes of duties and responsibilities given in their respective charters and aligned with the regulator's best practice guidelines. The Company Secretary summarized the Board of Directors and the Executive Committee's assessment results and presented them to the Board of Directors Meeting No. 1/2022 on February 25, 2022.

The Sub-committees' Self-assessment

In 2021, the Board of Directors required that self-assessment apply to all Sub-committees, namely, the Audit Committee, Nomination and Remuneration Committee, and Risk Management Subcommittee. The self-assessment results were reported to the Board of Directors on a yearly basis for review of the committees' performance, including opinions on issues related to their performance of duties during the past year, to make improvements and enhance work efficiencies. The performance assessment forms were determined according to each committee's scope of duties and responsibilities.

Assessment topics were; (1) the committees' structure and qualifications were appropriate to ensure efficient work. (2) The Sub-committees' meetings were conducted for the committees to perform their duties efficiently. (3) The Sub-committees' roles, duties, and responsibilities were given priority and took adequate time to review and comply.

The Sub-committees' self-assessment is divided into 5 rankings: 4 = strongly agree, or have performed excellently on the matter, 3 = quite strongly agree, or have performed well. 2 = agree or fair action on the matter 1 = disagree or take action on the matter slightly 0 = strongly disagree or no action has been taken on the matter. Evaluation level criteria representing the percentage of full score in each of the 5 levels, which are:

- More than 95% = Excellent
- 90% - 95% = Very Good
- 80% - 89% = Good
- 70% - 79% = Fair
- Below 70% = Need Improvement



The results of the Sub-committees' self-assessment for 2021 was as shown below:

Sub Committee (Individual Assessment)	Average Score in 2021
1. Audit Committee	95%
2. Nomination and Remuneration Committee	95%
3. Risk Management Subcommittee	95%

In 2021, the Sub-committees had overall performance in the "Very Good" criteria or the average score of 95%. The committees performed their duties with knowledge and abilities under the scopes of duties and responsibilities given in their respective charters and aligned with the regulator's best practice guidelines. The Company Secretary summarized the results of each Sub-committee's performance assessment for submission to the Board of Directors at the Board of Directors Meeting No. 1/2022 on February 25, 2022.

Chief Executive Officer (CEO) Performance Appraisal

The Board of Directors has assigned the Nomination and Remuneration Committee to evaluate the performance of the top executive in the organization's structure (CEO) on a yearly basis, for use as a guide in determining the top executive's remuneration and submit the result of the evaluation to a meeting of the Board of Directors for acknowledgment and approval.



The evaluation topics were;

- (1) Leadership
- (2) Strategy Formulation
- (3) Strategy Implementation
- (4) Planning and Financial Performance
- (5) Relationship between CEO and the Board
- (6) External Relations
- (7) Management and Personnel Relations
- (8) Succession
- (9) Product and Service Knowledge
- (10) Personal Characteristics

Chief Executive Officer evaluation is divided into 5 rankings: N / A = No data or not applicable, 4 = have performed excellently on the matter, 3 = have performed well. 2 = agree or fair action on the matter 1 = take action on the matter slightly 0 = no action has been taken on the matter. Evaluation level criteria representing the percentage of full score in each of the 5 levels, which are:

- More than 95% = Excellent
- 90% - 95% = Very Good
- 80% - 89% = Good
- 70% - 79% = Fair
- Below 70% = Need Improvement



In 2021, Chief Executive Officer had overall performance in the "Very Good?" criteria or the average score of 95%?. Chief Executive Officer performed his duties with knowledge and abilities under the scopes of duties and responsibilities given in their respective charters and aligned with the regulator's best practice guidelines. The Company Secretary summarized the performance assessment results for submission to the Board of Directors at the Board of Directors Meeting No. 1/2022 on February 25, 2022.

Meeting Attendance and Remuneration for Individual Directors

Board of Directors' Meetings

List of Board of Director	Number of Attendance / All Meetings	
	2021	2020
1. Mr. Siripong Sombatsiri	7/7	9/9
2. Mr. Sura Khanittaweekul	7/7	9/9
3. Ms. Aree Preechanukul	7/7	9/9
4. Mr. Kritchawat Voravanich	7/7	9/9
5. Mr. Kongsak Bannasathitgul	7/7	8/9
6. Mr. Kashpol Chulajata	7/7	9/9
7. Dr. Somboon Aueatchasai ^{/2}	7/7	1/9
8. Ms. Vareeporn Udomkunatum ^{/1}	-	4/9

Note:

^{/1} Ms. Vareeporn Udomkunatum resigned from the position of the Company's director and independent director effective from August 31, 2020.

^{/2} Dr. Somboon Aueatchasai was appointed as the Company's director and independent director instead of the resigned director (Ms. Vareeporn Udomkunatum) effective from November 12, 2020.

Supervision of Subsidiaries and Associated Companies

To be in line with the good corporate governance principles in establishing a framework and mechanism for governance of policies and operations in subsidiaries and other businesses in which the Company has invested, the Company has prepared and reviewed policies on supervision and core business management subsidiaries and associated companies. (Description of policy item 6.1.1)

For subsidiary management, the Company will supervise by sending the Company's representative to be the director of the subsidiary at least in proportion to the shareholding. The nominated directors and executives have qualifications, roles, duties, and responsibilities as well as no having untrustworthy characteristics according to the Notification of the Securities and Exchange Commission Re: Determination of Untrustworthy Characteristics of Company Directors and Executives. The qualifications of appointed persons include:

- (1) Must not possess any prohibited characteristics as required by applicable laws or regulations.
- (2) Have knowledge, ability, and experience beneficial to running a business, including leadership.
- (3) Make reasonable decisions in line with corporate governance practices and the Company's code of conduct.

Directors and Executives who are appointed under the resolution of the Board of Directors' meeting to hold positions in subsidiaries and associated companies, the scope of duties and responsibilities are as follows:

- (1) Supervise subsidiaries and affiliates to comply with relevant laws, rules, and regulations. Well managed to follow corporate governance principles, code of conduct, anti-corruption policy, and other policies consistent with the Company.
- (2) Provide guidelines in determining the direction of strategy, policy, and business plan of the subsidiary companies to be in line with the Company's and promote technology to increase the competitiveness of subsidiaries.
- (3) Report operating results and disclose information on subsidiaries' financial status to the Company accurately, completely, and promptly.
- (4) Control and supervise the business operations of subsidiaries to be efficient and manage the company's return on investment in its subsidiaries appropriately.
- (5) Ensure that there is an internal control system, risk management system, and fraud prevention system properly to assure the various actions of subsidiaries shall be following the Company's policy. Besides, directors and management have provided a mechanism to audit such work systems. The internal audit team and the Company's directors can access the information directly and report the audit results to the Company's directors and executives.

Suppose a subsidiary has a business operation that has a significant impact on the Company. In that case, the subsidiary must first seek approval from the Board of Directors' meeting, such as investing in securities that are not in the securities or the approved investment framework. The Board must approve the principal policies that the subsidiaries in the group implemented of Directors. If there is a transaction between subsidiaries or associated companies and connected persons, such as an acquisition or disposition of critical assets, or having to vote or exercise the right on essential matters at the same level, need requiring the approval of the Board of Directors. The Company's representative must first propose for approval to the Board of Directors and to provide information disclosure and storage, including accounting records by the criteria for preparing the consolidated financial statements on time.

Monitoring Compliance with Corporate Governance Policies and Practices

The Company is committed to improving the "Good Corporate Governance" and "Code of Conduct" of the Company and its subsidiaries on an ongoing basis by having an external neutral agency conduct an annual assessment to improve the results to be more appropriate and disseminate the assessment results to shareholders and stakeholders thoroughly. The 2021 results of corporate governance assessment according to the Corporate Governance Report of Thai Listed Companies 2015 by the Thai Institute of Directors Association in collaboration with the Stock Exchange of Thailand and the Securities and Exchange Commission, the Company was rated "Excellent." The Company received an Excellent CG Scoring score of 92% (as of October 26, 2021).

In addition, the Company has followed up on four other issues to ensure compliance with good corporate governance. The results of monitoring the implementation of the policy are as follows.

1. Monitoring the Prevention of Conflicts of Interest

The Company has established a policy that the board of directors, executives, and employees must perform their duties for the best interests. If any person has an interest or is involved in the consideration, the said person must inform the Audit Committee and not consider the said transaction. In 2021, the Company had examined cases that possibly created a conflict of interest, and no action was found that against the conflicts of interest prevention as specified by the Company.

2. Monitoring the Use of Insider Information to Benefit

The Company has set a policy to prevent using insider information to benefit to prevent the use of the information for the trading of the Company's securities. Directors, Executives, and departments involved with important information shall not trade the Company's securities 30 days in advance before the financial statements are disclosed and can trade 1 business day after publication. In the past year, none of the directors and executives traded in the Company's securities. From the examination, it was found that all actions were correct and complete. Besides, the Company introduced an Electronic system to increase reporting efficiency for directors, executives, and employees.

3. Monitoring Anti-Corruption

The Company has been certified as a member of the Thailand Private Sector Collective Action against Corruption (CAC) since 5 November 2018. In 2021, the Company was in the process of requesting for renewal of the Thai Private Sector Collective Action against Corruption (CAC) certification. The Company provides a corruption risk assessment and an organization's risk assessment by all departments shall analyze to identify the activities carried out, what risks occurred or possibly occur, and how it affects the operation.

From the Corruption Risk Assessment for the year 2021, it was found that there were risks that were part of normal operations. The risk assessment results were at a medium level for 13 risks and a low level for 12 risks. There were already 25 risk prevention measures from related sectors, details as follows:



Related Work Section	Risk
Procurement	7
Sales and Marketing	15
Accounting	2
Legal Work	1
Total	25

In addition, the Company has taken actions following anti-corruption policies as follows:

1. The Company communicates and disseminates anti-corruption policies and its guidelines, including channels for reporting clues or complaints, code of conduct for directors, executives, and employees to acknowledge. In addition, it requires all processes to be strictly within the scope of the law through various channels such as orientation for new directors and employees, an announcement in the public relations board, No Gift Policy campaign, through public relations screens, e-mails, Company websites, etc. Besides, train to educate and test knowledge and understanding regarding anti-corruption policy, including its guidelines, code of conduct, and work practices. Its purpose is to promote mutual awareness of the Company's ethics. It will help build trust and acceptance and create sustainable growth for the Company.
2. The Company provides channels to report any violations of the policy or witness corruption and has measures to protect the whistleblowers.

The Company has disclosed details of anti-corruption policies and its guidelines by revealing them to the general public through the Company's website (<http://www.comseven.com>) under the Investor Relations category.

4. Monitoring Complaints and Whistleblowing

The Company provides a channel for stakeholders to report clues and make complaints through electronic mail, post mail, and the comment box. The Internal Audit Department, independent of the management, is responsible for considering and screening such clues and complaints.

Complaint Statistics : The Company received complaints separated into details as follows.

Complaints	Number of Cases
Voice of Customer	7
Operational Process	1
Voice from Community	0
Safety, Occupational Health and Environment	0
Business Code of Conduct	0

The Company received eight complaints in the past year, comprising one complaint related to corruption. The Company conducted investigations and penalties following the established procedures. The other seven complaints were customer complaints related to products and deliveries. The responsible supervisory agency handled the complaints and coordinated with the relevant departments to acknowledge such complaints. Determine measures and guidelines for solving problems for stakeholders, including presenting various impacts in executive meetings to reduce dissatisfaction and raise satisfaction.

Report on the Performance of Duties of the Audit Committee

Number of Meetings and Attendance of Each Audit Committee Members

List of the Audit Committee	Number of Attendance / All Meetings	
	2020	2021
1. Mr. Siripong Sombatsiri	4/4	4/4
2. Mr. Kashpol Chulajata	4/4	4/4
3. Ms. Vareeporn Udomkunatum ^{1/}	2/4	-
4. Dr. Somboon Aueatchasai ^{2/}	-	4/4

Note

^{1/} Ms. Vareeporn Udomkunatum resigned from the position of the Company's director and independent director effective from August 31, 2020.

^{2/} Dr. Somboon Aueatchasai was appointed as the Company's director and independent director instead of the resigned director (Ms. Vareeporn Udomkunatum) effective from November 12, 2020.

The Audit Committee must arrange the meeting at least once a quarter. There must be no less than two-thirds of the total number of members of the audit committee to constitute a quorum at each meeting. Any audit committee member who has a personal interest in any matter or any interest in the matter considered must notify the meeting and abstain from making comments, voting, and leaving the meeting room. Unless for the meeting, excluding the directors with interests, there is a unanimous resolution for the interested directors to clarify the information at the meeting for prudence in decision-making but has no right to vote or make a decision on that matter. The Audit Committee has the power to invite the management or the auditor or those involved or those who appropriate to attend the meeting or requesting clarification on related matters.

During the past year, the Audit Committee held meetings with the auditors. However, no management and no internal audit unit attended the meeting for one time at the Audit Committee Meeting No. 1/21, on February 23, 2021, to seek opinions from the auditors on various matters.

The Audit Committee Performance

In addition to the disclosure of the Audit Committee's report, the Audit Committee has also made further steps to enhance governance in 2021 as follows:

- Review the Corporate Governance Policy, Corporate Sustainability Policy, and Code of Conduct to be able to operate the business sustainably and to be able to manage the organization to grow steadily and be accepted in the society based on ethics and good corporate governance principles.
- Push forward the Company to join the Thailand Sustainability Investment (THSI) project, "Creating Sustainable Investment Opportunities" of Thailand's Stock Exchange. The shares of listed companies have sustainably operated their businesses concerning the environment and social responsibility. There is the management under the corporate governance principles. It is another option for investors who wish to invest in a responsible investment approach. In 2021, the Company participated in evaluating the sustainability report. Com7 Public Company Limited has been selected to be on the list of "Thailand Sustainability Investment: THSI" or "Sustainable Stocks" of the Stock Exchange of Thailand. It represents an outstanding company and a model organization that operates in a balanced manner following sustainable development guidelines both economically, socially, and environmentally. Furthermore, it gives importance to stakeholders' participation apart from focusing solely on profits under the management under the principles of good corporate governance.

Summary of the Performance of Duties of Other Sub-Committees

The Company has other sub-committees, which are (1) Nomination and Remuneration Committee (2) Executive Committee (3) Risk Management Subcommittee.

Number of Meetings and Attendance

The Nomination and Remuneration Committee

List of the Nomination and Remuneration Committee	Number of Attendance / All Meetings	
	2020	2021
1. Mr. Kashpol Chulajata	2/2	2/2
2. Mr. Kongsak Bannasathitgul	2/2	2/2
3. Ms. Aree Preechanukul	2/2	2/2

The Executive Committee

List of the Executive Committee	Number of Attendance / All Meetings	
	2020	2021
1. Mr. Sura Khanittaweekul	13/13	12/12
2. Ms. Aree Preechanukul	12/13	12/12
3. Mr. Kritchawat Voravanich	12/13	12/12
4. Mr. Kongsak Bannasathitgul	12/13	12/12
5. Ms. Natthanan Keeratikornyotsanan	13/13	12/12
6. Mrs. Wassana Pongsangluk	13/13	12/12
7. Mr. Phakphum Satarat	13/13	12/12
8. Mr. Narong Sriwannawit	10/13	12/12

The Risk Management Subcommittee

List of the Risk Management Subcommittee	Number of Attendance / All Meetings	
	2020	2021
1. Mr. Kritchawat Voravanich	2/2	2/2
2. Ms. Aree Preechanukul	2/2	2/2
3. Mr. Kongsak Bannasathitgul	2/2	2/2
4. Ms. Natthanan Keeratikornyotsanan	2/2	2/2
5. Mrs. Wassana Pongsangluk	2/2	2/2
6. Mr. Thanathat Thaneesant	2/2	2/2
7. Mr. Attapol Wattanachinda	2/2	2/2

The Sub-Committees Performance

The Nomination and Remuneration Committee

The Nomination and Remuneration Committee perform duties as assigned by the Board of Directors in reviewing criteria, procedures for recruiting and appointing personnel who deem appropriate to serve as directors of the Company, including proposing a remuneration policy and other benefits for the Board of Directors and the committees to the Board of Directors or the shareholders' meeting as well as performing the duties of nomination and remuneration and performance of the Chief Executive Officer and the committees.

In 2021, there were 2 meetings of the Nomination and Remuneration Committee to consider various matters and report the meeting results with comments to the Board of Directors for consideration. The key points were summarized as follows.

- (1) Review and nominate the qualified persons according to the laws and criteria related to the positions of directors in place of the retiring directors by considering recruiting, selecting, and presenting people with qualifications, experience, knowledge, and abilities that are beneficial and suitable for the nature of the business of the Company to propose to the Board of Directors meeting and the shareholders' meeting for further consideration. A retiring director may be re-elected. The directors with interests shall abstain from voting.
- (2) Consider the Board of Directors of the Company and the committees' remuneration by considering the duties, responsibilities, performance, financial status of the Company, and rate of compensation which can be compared with the standard to propose to the Board of Directors of the Company and the shareholders' meeting for approval.
- (3) Consider salary adjustments and employee bonuses by years' experience, employee level, employee annual performance appraisal score, a summary of operating results, and estimating core inflation.
- (4) Consider and approve changes to the organizational structure so that the Board of Directors and committees' management effective.

According to good corporate governance principles for the best interest of shareholders, investors, and all stakeholders, the Nomination and Remuneration Committee has performed its duties with care, prudence, transparency, fairness, and honest opinion.

The Risk Management Subcommittee

In 2021, the Risk Management Subcommittee performed as assigned by the Board of Directors. The Risk Management Subcommittee supervised the appropriateness and adequacy of the risk management system and internal control. They followed up on the Company's risk management plan's progress and reported to the Audit Committee on risks and risk management. According to the analysis results to identify risks, it was found that there were a total of 155 risks expected to affect the operations. A total of 78 issues of high and very high risks were taken into account, divided into 51 issues of high-level risks and 27 issues of very high-level risks. Therefore, the responsible department was assigned to execute the risk management plan to manage those risks to an acceptable level and manage high and very high risks, a total of 78 issues to be reduced to an entirely acceptable level.

The risk management result for 2021 concluded that the risks managed to an acceptable level were 78 issues or 100% of the total risk. It showed that conducting the risk management by executing the specified risk management activities, causing the severity of the risk that could affect the 2021 activity goals had decreased to a mostly acceptable level and consistent with various activities with such risk management.

Sustainability Risk Management

1. Can take the risks that are not manageable to be an acceptable level, or take unperformed risk management activities to manage in 2022. The risk management activities are reviewed and revised to be worthwhile with the budget used, appropriate, and more practical possibilities.
2. Consider setting up more guidelines/methods and communication channels to manage risks so that the management and the operations can understand risk management principles and processes. The operator is also aware of the risk management planning procedures and processes to have a systematic and continuous implementation of the risk management process.
3. Push for the adoption of information technology systems to achieve greater efficiency and effectiveness in risk management.
4. Promote and organize additional training, build knowledge and understanding of risk management. Therefore, it must add more channels of communication and dissemination of risk management.



Internal Control and Connected Transactions

Internal Control

The Board of Directors and the Company's Executives realize that the internal control system is an important mechanism ensuring the management's confidence in reducing business risks and operating the business effectively. The resources are allocated appropriately and achieve the goals as targeted.

The Board of Directors has assigned the Audit Committee to supervise the internal control system and the Company's risk management system to be appropriate and efficient, including ensuring that the Company is complying with relevant regulations and laws. Oversee to avoid a conflict of interest, the related transactions, and monitor the operations, misuse of the assets or no power, including helping to protect assets from leakage, loss or fraud and misconduct.

The Company has set up a mechanism for checks and balances. There is an independent internal audit department that performs the duties to evaluate the efficiency and sufficiency of the internal control system, risk management system, and corporate governance system of all departments. Adopt the framework of the internal control system according to COSO international standards (the Committee of Sponsoring Organizations of the Treadway Commission) and the Enterprise Risk Management framework to apply to internal control and risk management so that the operation in various fields of the Company is more effective. The administration will take the audit result to consider making improvements in multiple matters for quality work development. The Internal Audit Department has provided a system to follow the Company's operations regularly. It also provides the Compliance unit to monitor and study laws, announcements, regulations, and orders related to business operations then publish for employees to understand, including supervising the Company to conduct business accurately.

Besides, the Audit Committee has assessed the adequacy of the internal control system, which reports annually to the Board of Directors by referring to the "Internal Control System Sufficiency Evaluation" form of the Office of the Securities and Exchange Commission, and the assessment results are disclosed in "the Audit Committee Report." The evaluation of internal control five parts are internal control of the organization, risk management, operational control, information and communication systems, and monitoring. The Board of Directors has considered and agreed that the Company's internal control system is adequate and appropriate. There is no significant glitch in the Company's internal control system that may affect the main objectives' achievement.

1. Adequacy and Appropriateness of the Internal Control System

Control Environment

The Company has an excellent organizational structure and environment, resulting in an efficient internal control system at an appropriate level. The Company has organized an organizational structure, defines duties and responsibilities classified by line to be consistent with business strategy and corporate governance. There is an independent internal audit department, which reports directly to the Audit Committee.

The Board of Directors is independent of the management and has sufficient knowledge and competence to supervise the administration. Executives at the managerial and operational levels are clearly defined and limited. Besides, the management has set goals and indicators of performance. Make an annual business plan and regularly review corporate goals per the competitive situation, including the notification of performance achievement and consideration of reward compensation following the Company's business plan requirements. An ethical control system is set up as a policy and clear guidelines for the management and employees to act without causing any conflict of interest with the Company. There is a corporate governance policy that is in line with the Stock Exchange practices of Thailand and international standards appropriate.

Risk Assessment

The Company realizes the importance of risk management by defining the risk assessment process following the business operation's objectives and goals. There are methods for identifying and analyzing all types of risks, both present, and future. Measures to control and monitor risks are appropriately assessed if objectives are not achieved. The approaches needed to maintain both the impact and likelihood levels have been established, considering the classes that will be significant to the Company's overall business operations. Factors that may impact from outside and inside the Company are assessed, including considering the potential for fraud risk. The Company arranges to review the organization's policies and guidelines and communicate to employees when encountered fraudulent incidents and act as the prescribed procedures. The Company has the Risk Management Committee responsible for corporate risk supervision. The Audit Committee is responsible for reviewing the efficiency and effectiveness of risk management at the corporate level. The administration is responsible for the risk and control owner to continuously assess and manage the risk at the organizational level.

The Company has the Risk Management Committee responsible for corporate risk supervision. The Audit Committee is responsible for reviewing the efficiency and effectiveness of risk management at the corporate level. The administration is responsible for the risk and control owner to continuously assess and manage the risk at the organizational level.

Control Activities

The Board of Directors has appointed three sub-committees: the Executive Board, the Risk Management Subcommittee, the Audit Committee, the Nomination and Remuneration Committee, and Good Governance Committee. The five committees performed their duties within the scope and authority assigned to control the management's performance. By taking into account the principles of separating duties and responsibilities in three areas: approval, accounting & information record, and keeping assets apart to have a proper mutual examination.

Also, the Audit Committee has reviewed and approved the annual audit plan to cover all processes with high risk and ensure that the various agencies have adequate control over their operations, financial performance, and compliance with laws, rules, and regulations. The Audit Committee has considered important issues and audit findings by advising the management to take corrective action and report its results and measures to prevent possible mistakes.

If there is a transaction with businesses or persons related to the Company leads to a conflict of interest. Transactions that occur must go through the same regulatory approval process as any regular transaction, taking into account the Company's best interests and shareholders as if it were done with third parties and legally. In which transactions may lead to conflicts of interest, such stakeholders shall not have the right to vote and disclose information as required by law.

Information and Communication

The Company has financial reporting using accounting policies appropriate to the nature of the Company's business operations and following generally accepted accounting principles, including International Financial Reporting Standards (IFRS), by preparing data and information systems to support financial reporting per the standards. Besides, the Company provides an information system enough for making decisions. There are communication and information related to the Company's operation, policies, and procedures to acknowledge employees for supporting efficient operations and activities.

Monitoring Activities

The Company has a system for monitoring and evaluating internal control as follows:

- **Operations Monitoring** It covers all essential activities continuously and regularly by the management, such as meeting reports, performance reports monthly, quarterly, etc.
- **Separate Evaluation** It consists of the Control Self-Assessment (CSA), the Securities and Exchange Commission. The Internal Audit Department is responsible for assessing the sufficiency and the suitability of the internal control system as defined in the Company's internal audit manual. Management shall correct according to recommendations and findings from the audit results and/or other appropriate and timely reviews to keep the internal control system up-to-date, actually works, and ready for the changing situation every moment.

At the Audit Committee Meeting No. 1/2022 on February 25, 2022, the Audit Committee assessed the assessment report's internal control system. It concluded that the five components of the internal control system are internal control, risk assessment, operational control, information and communication, and monitoring. The Audit Committee thought that the Company has an adequate and appropriate internal control system for the Company's business operations and risk management at an acceptable level. The accounting and financial reporting systems are accurate, reliable, and comply with the laws and regulations related to the Company's business operations.

2. In 2021, the Company found no significant flaws in the Company's internal control system that might affect its primary objectives.
3. In 2021, the Audit Committee and the Board of Directors commented and recommended developing and improving the consistent operating process.



4. The Internal Audit Department is independent of the management by reporting directly to the Audit Committee, which oversees the audit's performance to be independent, fair, ethical, and professional following the standards for the professional practice of internal auditing and reporting to the Chief Executive Officer in management budget.

The Internal Audit provides assurance service and consulting service by evaluating the internal control system's efficiency and effectiveness, risk management system, and corporate governance to support the Company's achievement of its business objectives and goals. The internal audit charter has set a mission, the scope of work, powers, duties, responsibilities, and operating guidelines clearly and always review to suit the circumstances.

The Head of Internal Audit serves as the secretary of the Audit Committee. Support the Audit Committee to perform the tasks assigned by the Board of Directors and as a consultant to give opinions on various aspects such as internal control, risk management, business ethics, the security of information systems, etc.

The Audit Committee approves the annual internal audit plan by applying the audit criteria according to the risk-based audit approach covering key control points using audit techniques referenced following international performance standards. Besides, the Internal Audit Department is another channel for receiving wrongdoing and fraud complaints from both internal and external parties to operate under the business ethics, code of conduct, and anti-corruption guidelines (Anti-Corruption Policy).

A person who holds Head of the Company's Internal Audit (Internal Audit) is Ms. Piyaporn Bandasak. The Audit Committee has the opinion that her qualifications are suitable and she performs duties efficiently.

In this regard, the consideration of the appointment, evaluation, removal, transfer, termination of employment of the head of the Company's internal audit must be approved by the Audit Committee.

- 1) Assess the adequacy and effectiveness of operational processes, information systems, internal control, and risk management under the audit work's mission and scope.
- 2) Report on critical matters relating to the control processes in various activities of the Company and ways to improve those activities.
- 3) Provide feedback to management to operate to be more efficient, economical, and have good corporate governance.
- 4) Propose information on the annual audit plan progress and performance and the sufficiency of resources needed to perform the work.
- 5) Coordinate and supervise other monitoring and controls such as risk management, compliance with regulations, safety, code of conduct, environment, and audit.
- 6) Perform other tasks related to internal audit as assigned by the Audit Committee.

5. The Audit Committee shall consider and approve the appointment, removal, transfer, replacement, or termination of the internal audit head.

Related Party Transaction

The Company has entered into related transactions with connected persons. All of these related transactions are made in the ordinary course of business and on general trading conditions.

According to the Notification of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, the Company has the policy to disclose related transactions.

For the year 2021, the Company had transactions with connected persons. The auditors of the Company disclosed in the notes to audited financial statements. These transactions had been reviewed by the Audit Committee and were of the view that all related transactions were reasonable and in regular trade. The Company charged the purchase-sale price of the product and services to the connected persons at reasonable prices. It has been compared with the mid-market price in that business with various conditions as a usual business. Details of related transactions are as follows:

1. Related transactions with persons who may have conflicts of interest

Person who may have a conflict of interest	Relationship
1. ADEPT Co.,Ltd (“ADEPT”) <ul style="list-style-type: none"> Formerly named Banana Group Co., Ltd (“Banana Group”) (Registered to change the Company name on 22 September 2021) Formerly named Mango Shopping Co., Ltd (Registered to change the Company name on 7 September 2015) <p>The Company’s business involves distributing computer equipment, digital products, smartphones, tablets, mobile phones, and peripherals or accessories.</p>	<ul style="list-style-type: none"> Subsidiary 99.99% Co-directors: Mr. Sura Khanittaweekul, Ms. Aree Preechanukul, and Mr. Kongsak Bannasathitgul
2. Novus Integration Co., Ltd (“Novus”) <p>Formerly named Banana Sure Co., Ltd (Registered to change the Company name on 20 September 2017)</p> <p>The Company’s business involves developing, distributing, maintenance, and software installation for both ready-made programs and newly created programs, including providing rental services or leasing computer equipment, server, and related IT systems.</p>	<ul style="list-style-type: none"> Subsidiary 99.99% Co-directors: Mr. Sura Khanittaweekul and Ms. Aree Preechanukul
3. Double 7 Co., Ltd (“Double 7”) <p>The Company’s business involves distributing computer equipment, digital products, smartphones, tablets, mobile phones, and peripherals or accessories, including payment services, consignments, installment sales, and accepting digital and electronic products pledge.</p>	<ul style="list-style-type: none"> Subsidiary 99.99% Co-directors: Mr. Sura Khanittaweekul, Ms. Aree Preechanukul, Mr. Kongsak Bannasathitgul, and Mr. Kritchawat Voravanich
4. Thunder FinFin Company Limited (“TFF”) <p>Formerly named DNA Retail-Link Company Limited (“DRL”) Operate business of buying and selling telecommunication tools, selling tapes, CDs, movie rolls, and music & movie CDs.</p>	<ul style="list-style-type: none"> Subsidiary 99.99% Co-directors: Mr. Sura Khanittaweekul, Ms. Aree Preechanukul, and Mr. Kongsak Bannasathitgul
5. See Know How Company Limited (“SEE KNOW HOW”) <p>Operate business as a learning center for employees of the Company and its affiliates.</p>	<ul style="list-style-type: none"> Subsidiary 99.99%

Person who may have a conflict of interest	Relationship
6. Next Capital Public Company Limited (“NCAP”) Operate a leasing business motorcycle hire purchase. (Registered to change the company name from BAF (Thailand) Co., Ltd. (“Buff”) to Next on July 1, 2020)	<ul style="list-style-type: none"> Joint Venture, Com7 holds 33.93% of shares. Co-directors: Mr. Sura Khanittaweekul
7. Double Value Co., Ltd (“Double Value”) Formerly named Double Seven Co., Ltd (Registered to change the Company name on 8 August 2014) Operate business of renting, buying, selling, transferring, and operating real estate.	<ul style="list-style-type: none"> Co-directors: Mr. Sura Khanittaweekul, Ms. Aree Preechanukul, and Mr. Kritchawat Voravanich Co-shareholders: Mr. Sura Khanittaweekul, Ms. Aree Preechanukul, and Mr. Kritchawat Voravanich, hold 61.47%, 8.09%, and 4.33% of shares, respectively.
8. Inter Vision Business Groups Co., Ltd (“Inter Vision”) Operate business of computer programming.	<ul style="list-style-type: none"> Co-directors: Mr. Sura Khanittaweekul and Ms. Aree Preechanukul
9. Yoga Matters Co., Ltd (“Yoga Matters”) Operate business of health and beauty services.	<ul style="list-style-type: none"> Co-directors: Mr. Sura Khanittaweekul Co-shareholders: Mr. Sura Khanittaweekul holds 37.50% of shares.
10. Organic Zone Co., Ltd (“Organic”) Formerly named PC Zone Company Limited (Registered to change the Company name on 7 July 2014) Operate business of the hotel, restaurant, bar, tour, and being the consultant and provide advice on industrial commerce administration.	<ul style="list-style-type: none"> Co-directors: Mr. Sura Khanittaweekul Co-shareholders: Mr. Sura Khanittaweekul holds 99.99% of shares.
11. L&T Asset Co., Ltd (“L&T Asset”) The Company engages in the operation of real estate properties and shopping centers.	<ul style="list-style-type: none"> Co-directors: Mr. Sura Khanittaweekul
12. Bakery Treasury Co., Ltd (“Bakery”) Operate business of the restaurant, producing and selling food and beverages of all kinds.	<ul style="list-style-type: none"> Co-directors: Mr. Sura Khanittaweekul, Ms. Aree Preechanukul, and Mr. Kritchawat Voravanich Co-shareholders: Mr. Sura Khanittaweekul, Ms. Aree Preechanukul, and Mr. Kritchawat Voravanich, hold 57.50%, 18.00%, and 3.00% of shares, respectively.
13. 7 AM Company Limited (7 AM) Formerly named OXM Co., Ltd (“OXM”). Registered to change the company name on January 3, 2020. Operate retail business (Family Mart).	<ul style="list-style-type: none"> Co-shareholders: Mr. Sura Khanittaweekul holds 48.99% of shares.
14. King Yummy Co., Ltd (“King Yummy”) Operate business of food center, and restaurant to produce and sell both retail and wholesale and import and export ready-made food, ready-to-eat, and all kinds of beverage.	<ul style="list-style-type: none"> Co-directors: Mr. Sura Khanittaweekul, Ms. Aree Preechanukul Co-shareholders: Mr. Sura Khanittaweekul, Ms. Aree Preechanukul, and Mr. Bancha Phanthumakomol hold 55.25%, 18.00%, 13.75% of shares, respectively.
15. Prime Solution and Services Co., Ltd (“Prime Solution and Services”) Operate business of advising on problems, commercial, industrial, organizing training seminars.	<ul style="list-style-type: none"> Co-shareholders: Banana Group holds 48.98% of shares. Co-directors: Mr. Sura Khanittaweekul
16. L&T Corporation Co., Ltd (“L&T CORPORATION”) Operate business of resort, hotel, and tourist attraction.	<ul style="list-style-type: none"> Co-directors: Mr. Sura Khanittaweekul

Person who may have a conflict of interest	Relationship
17. ITEC Software Co., Ltd (“ITEC Software”) Formerly named Softbox Co., Ltd (Registered to change the company name on 18 November 2015) Operate business of producing, selling, developing, improving the computer programs and consulting for software and hardware installation.	<ul style="list-style-type: none"> Mr. Nithit Satraraluk, a director and shareholder, holds 99.99% of shares. Mr. Nithit Satraraluk is the spouse of Ms. Aree Preechanukul. <p>**Resolved to dispose of all shares on August 13, 2020, to Mr. Nithit Satraraluk, his shareholding changed from 48.95% to 99.99%.</p>
18. Boko & Brother Frog Co., Ltd. The Company’s business involves operating consumer goods and Software	<ul style="list-style-type: none"> Co-directors: Mr. Sura Khanittaweekul
19. Brax & Ben Company Limited Operate fuel trade business.	<ul style="list-style-type: none"> Co-directors: Mr. Sura Khanittaweekul
20. LORTHONG Co., Ltd. The Company’s business involves manufacturing, importing, exporting as well as distributing motorcycles, industrial and consumer products and others.	<ul style="list-style-type: none"> Subsidiary 99.99% Co-directors: Mr. Sura Khanittaweekul and Ms. Aree Preechanukul
21. Mr. Sura Khanittaweekul	<ul style="list-style-type: none"> Director, Chief Executive Officer, and Major shareholder
22. Mr. Bancha Phanthumakomol	<ul style="list-style-type: none"> Major shareholder / Former Director of Com7
23. Ms. Aree Preechanukul	<ul style="list-style-type: none"> Director and Shareholder
24. Mr. Nithit Satraraluk	<ul style="list-style-type: none"> Spouse of Ms. Aree Preechanukul
25. Mr. Kritchawat Voravanich	<ul style="list-style-type: none"> Director and Shareholder
26. Mr. Kongsak Bannasathitgul	<ul style="list-style-type: none"> Director and Shareholder
27. Mrs. Wassana Pongsangluk	<ul style="list-style-type: none"> Executive Director, Taweechai Wasanasadee Co., Ltd
28. Mr. Phakphum Satarat	<ul style="list-style-type: none"> Executive
29. Ms. Natthanan Keeratikornyotsanan	<ul style="list-style-type: none"> Director and Shareholder
30. Mr. Suradech Sroirungruang	<ul style="list-style-type: none"> Shareholder
31. Mr. Narong Sriwannawit	<ul style="list-style-type: none"> Executive
32. Mr. Siripong Sombatsiri	<ul style="list-style-type: none"> Chairman of the Board Director, Infinite Technology Corporation Co., Ltd Director, AP (Thailand) Public Co., Ltd Audit Committee of the following companies: <ul style="list-style-type: none"> Pan Asia Footwear Public Co., Ltd Bangkok Chain Hospital Public Co., Ltd
33. Mr. Kashpol Chulajata	<ul style="list-style-type: none"> Audit Committee/Independent Directors
34. Dr. Somboon Aueatchasai	<ul style="list-style-type: none"> Audit Committee/Independent Directors Director, Executive, Chief Executive Officer and Company Secretary of Gunkul Engineering Public Co., Ltd.

2. Related transactions with subsidiaries and related parties

Transactions for receiving and making payments

Related Parties / Relationships with the Company	Transaction Details	Transaction Value (Baht)		Rationale and Necessity / Opinion of the Audit Committee
		2020	2021	
1) Inter Vision	1) Rental Income It is an office space service with a monthly service fee of 44,800 baht per month.	537,600	537,600	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	2) Sales Income It is the sale of mobile phones and IT equipment at mutually agreed prices, i.e., cost plus an agreed margin.	16,121	15,925	
	3) Cost of Goods It is the sale of mobile phones and IT equipment at mutually agreed prices, i.e.,	-	20,330	
	Total outstanding balance of receiving (as at the end)	575,232	47,936	
	Total outstanding balance of making payment (as at the end)	-	-	
2) ADEPT Formerly named, Banana Group	1) Price Protection Receive It is price insurance for mobile phones and IT equipment at a mutually agreed price.	38,156,709	2,353,916	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	2) Management Fee Income It is hiring of the Company to manage internal affairs and as a business consultant. The monthly service fee is 5,000 baht per month, exclusive of VAT.	60,000	60,000	The transaction is reasonable because the management fee is proportional to the sales. Moreover, Banana is a subsidiary company that has just started the business. Therefore, it needs to rely on Com7 to provide advice.
	3) Rental Income It is an office space service with a monthly service fee of 5,000 baht per month, exclusive of VAT.	60,000	60,000	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	4) Cost of Sales It is the sale IT equipment at mutually agreed prices, i.e., cost plus an agreed margin.	209,618,948	50,849,729	
	5) Shop Sales It is the sale IT equipment at mutually agreed prices, i.e., cost plus an agreed margin.	-	121,680	
	Loans to Subsidiary			
	Outstanding balance (as at the beginning)	125,000,000	-	
	Increase during the period	155,000,000	2,700,000,000	
	(Decrease) during the period	(280,000,000)	(1,800,000,000)	
	Outstanding balance (as at the end)	-	900,000,000	
	Interest income	362,260	2,686,315	
	Accrued interest	4,215,000	940,603	
	Investments in Subsidiaries			
	increase during the period	-	450,000,000	
	Total outstanding balance of receiving (as at the end)	4,018,101	1,254,388	
	Total outstanding balance of making payment (as at the end)	-	23,768,804	

Related Parties / Relationships with the Company	Transaction Details	Transaction Value (Baht)		Rationale and Necessity / Opinion of the Audit Committee
		2020	2021	
3) Novus Formerly named, Banana Sure	1) Management Fee Income According to the agreed sales volume, it is hiring of the Company to manage internal affairs and as a business consultant at the management fee. The monthly service fee is 5,000 baht per month, exclusive of VAT.	60,000	60,000	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	2) Rental Income It is an office space service with a monthly service fee of 5,000 baht per month, exclusive of VAT.	60,000	60,000	
	Investments in Subsidiaries increase during the period	-	235,000,000	
	Loans to Subsidiary Outstanding balance (as at the beginning)	-	-	The transaction is reasonable because the Company needs to borrow for use in the company's management and circulation, which is the normal transaction for business expansion.
	Increase during the period	-	180,000,000	
	(Decrease) during the period	-	(180,000,000)	
	Outstanding balance (as at the end)	-	-	
	Interest income	-	115,397	
	Accrued interest	-	-	
	Loans from Subsidiary Outstanding balance (as at the beginning)	13,000,000	13,000,000	
	Increase during the period	-	40,000,000	
	(Decrease) during the period	-	(13,000,000)	
	Outstanding balance (as at the end)	13,000,000	40,000,000	
	Interest expenses	-	125,655	
	Accrued interest	74,082	5,699	
	Investments in Subsidiaries Investments in Subsidiaries as of December 31, 2021	-	235,000,000	
	Total outstanding balance of receiving (as at the end)	10,700	10,700	
	Total outstanding balance of making payment (as at the end)	-	5,699	

Related Parties / Relationships with the Company	Transaction Details	Transaction Value (Baht)		Rationale and Necessity / Opinion of the Audit Committee
		2020	2021	
4) Double Value	1) Right of Use Assets, Net It is a transaction in which the lessee recognizes the leased property from the lease agreement. Land and buildings are commercial buildings, width 14.9 meters, three floors, No. 1/65 Moo 6, Bo Phut Sub-district, Koh Samui District, Surat Thani. Use as Banana branch with 3-year lease agreement starting from January 1, 2020, to December 31, 2022, as right-of-use assets.	1,338,178	6,663,757	The transaction is reasonable and benefits the Company. It will make the storefront more space than before (from 4 meters to 14.9 meters), resulting in better product sales opportunities.
	2) Amortization – Right of Use Assets It is a transaction in which the lessee recognizes the leased property from all types of leases as a right-of-use asset and is amortized according to the lease period.	669,791	1,105,107	
	3) Lease Liabilities Right of Use It is a transaction in which the lessee recognizes the leased property as a liability.	1,517,412	6,740,448	
	4) Interest Expenses – Financial Lease Right of Use Assets It is a transaction in which the lessee recognizes the leased property as a liability. Besides, the interest expense is recognized, and the liability is gradually reduced according to the payment period.	37,464	44,479	
	5) Rental Service Fees It is a service fee from the lease of land and buildings, a 3-year lease commencing from January 1, 2020, to December 31, 2022.	1,150,000	2,400,000	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	Rental Guarantee	-	600,000	
	Total outstanding balance of making payment (as at the end)	-	-	

Related Parties / Relationships with the Company	Transaction Details	Transaction Value (Baht)		Rationale and Necessity / Opinion of the Audit Committee
		2020	2021	
5) Double 7	1) Management Fee Income It is hiring the Company to manage internal affairs and as a business consultant, starting from January 1, 2020, to December 31, 2022, at the management fee based on the agreed sales volume.	1,800,000	2,079,110	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	2) Rental Income It is an office space service with a monthly service fee of 33,600 baht per month.	403,200	403,200	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	3) Shop Sales It is the sale of mobile phones and IT equipment at mutually agreed prices, i.e., cost plus an agreed margin.	638,620	122,136	
	4) Service Income 1. Program fee and Support Dynamic 365 for one year from January 1, 2021, to December 31, 2021. 2. Service fee for the HR Management program for one year from January 1, 2021, to December 31, 2021.	7,040,000	7,040,000	
	5) Dividend Received Dividends are received from business operations in which the Company holds 99% of shares.	149,991,000	179,989,200	
	6) Accrued Income 1. Program Fee and Support K2 for 10 Licenses 2. Program Fee and Support Dynamic 365	-	7,319,110	
	Loans from Subsidiary Outstanding balance (as at the beginning) Increase during the period (Decrease) during the period Outstanding balance (as at the end) Interest expenses Accrued interest	210,000,000 345,000,000 (230,000,000) 325,000,000 3,346,364 1,067,274	325,000,000 390,000,000 (430,000,000) 285,000,000 1,619,554 566,568	
	Total outstanding balance of receiving (as at the end) Total outstanding balance of making payment (as at the end)	7,975,256 -	7,515,562 -	

Related Parties / Relationships with the Company	Transaction Details	Transaction Value (Baht)		Rationale and Necessity / Opinion of the Audit Committee
		2020	2021	
6) Organic Zone	1) Right of Use Assets, Net It is a transaction in which the lessee recognizes the leased property from the office building lease agreement on a land of 4 rai 309 square wah, located at 549/1 Sanphawut Road, Bangna Tai Subdistrict, Bangna District, Bangkok. The 3-year lease commencing from January 1, 2020, to December 31, 2022, is a right-of-use asset.	465,539,716	310,418,611	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	2) Amortization – Right of Use Assets It is a transaction in which the lessee recognizes the leased property from all types of leases as a right-of-use asset and is amortized according to the lease period.	78,005,426	77,519,159	
	3) Lease Liabilities Right of Use It is a transaction in which the lessee recognizes the leased property as a liability.	407,002,924	343,129,587	
	4) Interest Expenses – Right of Use It is a transaction in which the lessee recognizes the leased property as a liability. Besides, the interest expense is recognized, and the liability is gradually reduced according to the payment period.	9,461,390	7,837,523	
	Rental Guarantee	33,935,352	33,935,352	
	Total outstanding balance of receiving (as at the end)	-	-	
	Total outstanding balance of making payment (as at the end)	-	-	
7) Success March	1) Rental Income It is an office space service with a monthly service fee of 11,200 baht per month, exclusive of VAT.	134,400	134,400	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	Total outstanding balance of receiving (as at the end)	-	33,645	

Related Parties / Relationships with the Company	Transaction Details	Transaction Value (Baht)		Rationale and Necessity / Opinion of the Audit Committee
		2020	2021	
8) Next Capital	1) Shop Sales It is the cost of purchasing computer equipment for resale at the agreed price, i.e., cost plus an agreed margin.	1,383,000	6,569,006	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	Loans to Subsidiary Outstanding balance (as at the beginning) Increase during the period (Decrease) during the period Outstanding balance (as at the end) Interest income Accrued interest	50,000,000 - (50,000,000) - 235,329 -	- 300,000,000 - 300,000,000 991,233 991,233	
	Total outstanding balance of receiving (as at the end)	258,940	991,233	
	Total outstanding balance of making payment (as at the end)	-	-	
9) Bakery Treasury	1) Rental Income It is an office space service with a monthly service fee of 10,000 baht per month	140,000	120,000	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	2) Sales of Service It is the cost of food products in the Company's event.	764,584	139,063	
	3) Sales of Goods It is the cost of purchasing computer equipment for resale at the agreed price, i.e., cost plus an agreed margin.	212,658	355,847	
	Total outstanding balance of receiving (as at the end) Total outstanding balance of making payment (as at the end)	52,149 103,800	163,994 86,000	
10) Thunder Fin Fin (TFF)	1) Management Fee Income It is hiring the Company to manage internal affairs and as a business consultant, starting from January 1, 2021, to December 31, 2021, at the management fee based on the agreed sales volume.	597,305	798,595	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	2) Rental Income It is an office space service with a monthly service fee of 5,000 baht per month.	60,000	60,000	
	3) Sales and Service Income It is the sale of mobile phone products at a mutually agreed price, i.e., cost plus an agreed margin.	57,016,685	804,552,653	
	4) Cost of Goods Sold It is the sale of mobile phone products at a mutually agreed price, i.e., cost plus an agreed margin.	313,247,801	2,231,107,084	
	5) Price Protection Receive It is price insurance for mobile phones and IT equipment at a mutually agreed price.	-	36,622,484	
	Total outstanding balance of receiving (as at the end) Total outstanding balance of making payment (as at the end)	56,809,421 103,710,324	254,911,605 54,296,385	

Related Parties / Relationships with the Company	Transaction Details	Transaction Value (Baht)		Rationale and Necessity / Opinion of the Audit Committee
		2020	2021	
11) Prime Solution and Services	1) Interest Income It is the leasing of computer equipment in the amount of 48 installments from 15 Nov 2019 to 15 Oct 2023.	1,205,420	870,178	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	2) Sales of Service It is a service income of 20 computers from January 14, 2021 to May 17, 2020, at mutually agreed service rates.	692,294	249,920	
	3) Management Fee Income It is hiring the Company to manage internal affairs and as a business consultant at the management fee based on the agreed sales volume.	800,000	960,000	
	4) Sales of Goods It is the cost of purchasing computer equipment for resale at the agreed price, i.e., cost plus an agreed margin.	13,749,305	325,747	
	5) Account Receivable Under Financial Lease AR under Financial Lease for computer equipment leasing in the amount of 48 from October 15, 2019 to October 15, 2023	13,363,126	13,521,457	
	Total outstanding balance of receiving (as at the end) Total outstanding balance of making payment (as at the end)	21,685,879 1,533,670	705,648 -	

Related Parties / Relationships with the Company	Transaction Details	Transaction Value (Baht)		Rationale and Necessity / Opinion of the Audit Committee
		2020	2021	
12) SEE KNOW HOW	1) External Training It is training for both new and old employees in order to have the knowledge and increase their skills and capability.	47,244,500	119,709,800	The transaction is reasonable with its fair value and the same conditions as carried out with external parties.
	2) Sales of Goods It is an IT equipment income at mutually agreed prices, i.e., selling price plus an agreed margin.	167,925	154,895	
	3) Service Income It is the sale of equipment at a mutually agreed price, i.e., cost plus an agreed margin.	-	689,980	
	4) Rental Income It is an office space service for 438 square meters with a monthly service fee of 240,900 baht per month.	-	2,890,800	
	5) Management Fee Income It is hiring the Company to manage internal affairs and as a business consultant at the management fee based on the agreed sales volume.	-	71,151	
	Total outstanding balance of receiving (as at the end)	6,233	7,476,087	
	Total outstanding balance of making payment (as at the end)	-	-	



Responsibilities of the Board of Directors for Financial Report



The Board of Directors realizes the duties and responsibilities as directors of the Company. It is registered with the financial statements of Com7 Public Company Limited and its subsidiaries. These financial statements have been prepared following Thai Financial Reporting Standards (TFRS) with consideration to choose the appropriate accounting policy and practice it regularly coupled with careful discretion and reasonable estimates in the preparation. There is also sufficient disclosure of important information in the notes to the financial statements as well as explaining and analyzing the Company's financial position and operating results and its subsidiary for the benefit of shareholders and general investors. The aforementioned financial statements have been audited and expressed an unqualified opinion from an independent certified public accountant.

In addition, the Board of Directors has encouraged the Company to adhere to the principles of good corporate governance and arrange for risk management and an efficient and effective internal control system. It is to ensure that the accounting records are accurate, complete, and sufficient to maintain the Company's assets and its subsidiary and prevent corruption or material irregularities.

Besides, the Company's Audit Committee, consisting of independent directors, is responsible for reviewing the quality of financial reports and the internal control system. The opinions have been presented in the Report of the Audit Committee in this 2021 Annual Report.

Therefore, the Board of Directors is of the view that the Company has good corporate governance. In addition, there is a risk management system and internal control system that are sufficient and appropriate. As a result, it can establish reasonable assurance that the Company's financial statements and its subsidiaries for the year ended December 31, 2021, have been prepared and disclosed accurately in material respects.

(Mr. Siripong Sombatsiri)

Chairman of the Board

(Mr. Sura Khanittaweekul)

**Vice Chairman and Chief
Executive Officer**

Independent Auditor's Report

To the shareholders of Com7 Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Com7 Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then end; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matters

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

Key audit matters	How my audit addressed the key audit matters
<p>Adequacy of allowance for obsolete and slow-moving inventories</p> <p>Refer to Note 8 critical estimates and judgements of allowance for decrease in value of inventories and Note 13 Inventories, net, to the consolidated financial statements.</p> <p>Total inventories as at 31 December 2021 amount of Baht 6,208 million represent 39% of total assets in the consolidated financial statements. These inventories comprise IT products, mobile phones, and accessories, which are products with rapid technological change. Such changes cause the Group's inventories to become obsolete and cannot be sold immediately.</p> <p>The allowance for obsolete and slow-moving inventories is calculated by applying a percentage involving management judgement, which was derived by historical data on the levels of obsolete and slow-moving inventories as well as the management's view of the current stock profile and age.</p> <p>I focused on this area because of the significance of inventories in comparison to the consolidated financial statements and the recognition of allowances for obsolete and slow-moving inventories required management to exercise judgements upon assessing the level of allowances required.</p>	<p>My audit procedures included understanding the Group's policy in recognition of the allowance for obsolete and slow-moving inventories and challenging management's judgement and assumptions used in determining the percentage of allowance for obsolete and slow-moving inventories.</p> <p>I assessed the reasonableness of the percentage of allowance for obsolete and slow-moving inventories by comparing to the percentage of historical loss on obsolete and slow-moving inventories of each product group, current market prices, sale transactions occurred after the statement of financial position date and also inventory turnover analysis.</p> <p>I tested the calculation of inventory aging by making sample selections of inventory aging reports prepared by the Group's management as well as the calculation of allowance for obsolete and slow-moving inventories and compared with the management's estimation.</p> <p>Based on my procedures performed, I found that the determination of the percentage of allowance for obsolete and slow-moving inventories were within a reasonable and acceptable range and supported by evidences.</p>

Key audit matters	How my audit addressed the key audit matters
<p>Assessment of goodwill impairment</p> <p>Refer to Note 8 critical estimates and judgements of estimated impairment of goodwill and Note 19 goodwill, net, to the consolidated financial statements.</p> <p>The Group has goodwill of Baht 124 million as at 31 December 2021. The Group is required to, at least annually, test the goodwill for impairment in accordance with the relevant financial reporting standards.</p> <p>For the year ended 31 December 2021, the management assessed an impairment over the goodwill balances by:</p> <ol style="list-style-type: none"> calculating the recoverable amount of each Cash Generating Unit (CGU) using the discounted cash flow (DCF) model for 5 years, with constant terminal growth rate applied to the 5th year. These cash flows were then discounted to net present value using the weighted average cost of capital (WACC); and comparing the resulting of recoverable amount to their respective book values of each CGU. <p>Based on the annual impairment test, management concluded that no additional allowance for impairment of goodwill was required as at 31 December 2021.</p> <p>I focused on this area because the assessment process involves significant management judgement in estimating the cash flow forecasts, which is based on assumptions that relate to future market and economic conditions such as revenue growth rate, profit margin, and discount rate.</p>	<p>I gained understanding and evaluated cash flow forecasts method, the process by which they were developed and challenged the composition of management's cash flow forecasts including testing the mathematical accuracy of the underlying calculations as following procedures.</p> <p>I compared the inputs in cash flow forecasts to the approved budgets and business plans and other evidence of future intentions.</p> <p>I compared current year actual results with the figures included in the prior year forecast to consider whether the forecast assumptions included had been reasonable.</p> <p>I assessed the management's estimated revenue growth rate and profit margin rate by comparing them to historical results.</p> <p>I tested the parameters such as cost of equity and risk-free rate used to determine the discount rate applied and compared with rate of return of other companies in the same business group registered in the Stock Exchange of Thailand and government bond rate and re-performed the calculations.</p> <p>I tested the calculation on sensitive change in key assumptions such as revenue growth and discount rates of the discounted cash flow.</p> <p>I used my firm's valuation expert to assess the appropriateness of assumptions used in the calculation of recoverable amount of each CGU, in particular, discount rates, and compared the independent expectations to those used by management.</p> <p>Based on my procedures above, I found management's key assumptions used in assessing the recoverable amounts of goodwill to be reasonable based on the available evidence.</p>

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

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

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee 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 the audit committee 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 the audit committee, I determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I 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.

PricewaterhouseCoopers ABAS Ltd.



Pongthavee Ratanakoses

Certified Public Accountant (Thailand) No. 7795

Bangkok

25 February 2022

Statement of Financial Position

Com7 Public Company Limited

As at 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	10	1,656,882,222	872,146,450	1,138,686,887	706,490,983
Financial assets at fair value					
through profit or loss	12	193,691,951	249,229,759	156,855,506	187,209,909
Trade and other receivables, net	11.1	2,707,270,470	864,303,332	2,250,704,067	812,581,955
Current portion of finance lease					
receivables	11.3	462,458,325	37,643,598	12,993,106	12,524,067
Contract assets	11.2	78,349,427	105,807,769	-	-
Short-term loans to related parties	32	306,316,304	6,416,304	1,200,000,000	-
Inventories, net	13	6,207,899,899	3,664,401,153	5,749,330,992	3,641,679,200
Other current assets	14	273,289,301	60,718,256	206,500,643	43,911,113
Total current assets		11,886,157,899	5,860,666,621	10,715,071,201	5,404,397,227
Non-current assets					
Restricted deposits with					
financial institutions		1,414,578	2,422,757	-	-
Trade and other receivables, net	11.1	237,235,285	-	237,235,285	-
Finance lease receivables	11.3	97,398,903	48,147,599	11,163,679	24,317,984
Investments in subsidiaries	16	-	-	988,834,366	302,547,066
Investments in an associate	15	773,666,424	675,013,828	593,575,203	593,575,203
Financial assets at fair value					
through profit or loss	12	180,000,000	-	-	-
Land, buildings and equipment, net	17	614,919,099	505,707,356	613,630,692	504,242,353
Right-of-use assets, net	18	1,186,340,243	1,265,214,211	1,178,255,234	1,256,726,103
Goodwill, net	19	123,691,216	123,691,216	45,655,040	45,655,040
Intangible assets, net	20	173,661,862	158,585,059	97,215,552	78,259,973
Deferred tax assets	21	107,740,953	70,794,936	105,773,863	82,863,427
Other non-current assets		583,513,010	496,474,447	559,515,746	475,241,034
Total non-current assets		4,079,581,573	3,346,051,409	4,430,854,660	3,363,428,183
Total assets		15,965,739,472	9,206,718,030	15,145,925,861	8,767,825,410

The accompanying notes on page xx to xx are an integral part of these consolidated and separate financial statements.

Statement of Financial Position

Com7 Public Company Limited

As at 31 December 2021

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	22	3,800,990,825	1,282,509,647	3,754,095,570	1,219,568,773
Current portion of lease liabilities	22	524,664,097	498,115,529	518,734,640	492,600,864
Trade and other payables	23	5,105,791,469	2,464,340,173	4,704,009,654	2,160,494,834
Short-term loans from a subsidiary	32	-	-	325,000,000	338,000,000
Current income tax payable		288,683,043	166,547,437	266,818,172	158,390,159
Other current liabilities		30,905,910	18,380,714	28,133,707	15,104,440
Total current liabilities		9,751,035,344	4,429,893,500	9,596,791,743	4,384,159,070
Non-current liabilities					
Lease liabilities	22	677,402,910	707,633,378	674,547,786	704,805,488
Employee benefit obligations	24	102,722,318	88,602,555	88,623,904	76,303,353
Provision for decommissioning liabilities		23,648,000	22,176,000	23,648,000	22,176,000
Other non-current liabilities		110,180,545	87,584,027	110,120,543	87,584,026
Total non-current liabilities		913,953,773	905,995,960	896,940,233	890,868,867
Total liabilities		10,664,989,117	5,335,889,460	10,493,731,976	5,275,027,937

The accompanying notes on page xx to xx are an integral part of these consolidated and separate financial statements.

Statement of Financial Position

Com7 Public Company Limited

As at 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Liabilities and equity (continued)					
Equity					
Share capital	25				
Authorised share capital					
1,200,000,000 ordinary shares					
at par value of Baht 0.25 each		300,000,000	300,000,000	300,000,000	300,000,000
Issued and paid-up					
share capital					
1,200,000,000 ordinary shares					
paid-up of Baht 0.25 each		300,000,000	300,000,000	300,000,000	300,000,000
Premium on ordinary shares		898,760,685	898,760,685	898,760,685	898,760,685
Retained earnings					
Appropriated - legal reserve	26	30,000,000	30,000,000	30,000,000	30,000,000
Unappropriated		4,069,677,849	2,638,332,874	3,423,433,200	2,264,036,788
Other components of equity		(13,576,049)	(14,799,778)	-	-
Equity attributable to owners of the parent		5,284,862,485	3,852,293,781	4,652,193,885	3,492,797,473
Non-controlling interests		15,887,870	18,534,789	-	-
Total equity		5,300,750,355	3,870,828,570	4,652,193,885	3,492,797,473
Total liabilities and equity		15,965,739,472	9,206,718,030	15,145,925,861	8,767,825,410

The accompanying notes on page xx to xx are an integral part of these consolidated and separate financial statements.

Statement of Financial Position

Com7 Public Company Limited

As at 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Revenues					
Revenues from sales and services		51,126,442,939	37,306,107,513	49,931,662,963	36,383,242,484
Other income, net		28,217,786	46,791,138	249,357,236	261,677,826
Share of profit of an associate and a joint venture		96,476,077	101,005,005	-	-
Total revenues		51,251,136,802	37,453,903,656	50,181,020,199	36,644,920,310
Expenses					
Cost of sales and services		(44,280,503,258)	(32,595,897,570)	(43,582,919,955)	(31,960,738,943)
Selling expenses		(2,913,534,808)	(2,347,582,653)	(2,980,737,445)	(2,362,620,488)
Administrative expenses		(847,944,845)	(638,480,835)	(724,988,184)	(576,382,544)
Gain from exchange rate, net		21,925,962	4,298,058	21,942,350	4,489,901
Total expenses		(48,020,056,949)	(35,577,663,000)	(47,266,703,234)	(34,895,252,074)
Profit before finance costs and income tax expense		3,231,079,853	1,876,240,656	2,914,316,965	1,749,668,236
Finance costs	27	(47,885,240)	(53,147,096)	(46,097,432)	(53,781,047)
Profit before income tax expense		3,183,194,613	1,823,093,560	2,868,219,533	1,695,887,189
Income tax expense	29	(554,710,859)	(328,237,513)	(508,823,121)	(288,871,359)
Profit for the year		2,628,483,754	1,494,856,047	2,359,396,412	1,407,015,830
Other comprehensive income (expense):					
Items that will not be reclassified to profit and loss					
Remeasurement of defined employee benefit plans		-	(9,758,925)	-	(9,163,881)
Income tax on items that will not be reclassified		-	1,951,785	-	1,832,776
Share of other comprehensive income of an associate accounted for using the equity method		952,789	(840,619)	-	-
Item that will be reclassified to profit and loss					
Share of other comprehensive income of an associate accounted for using the equity method		1,223,729	(14,799,778)	-	-
Other comprehensive income (expense) for the year, net of tax		2,176,518	(23,447,537)	-	(7,331,105)
Total comprehensive income for the year		2,630,660,272	1,471,408,510	2,359,396,412	1,399,684,725
Profit attributable to:					
Owners of the parent		2,630,392,186	1,490,681,664	2,359,396,412	1,407,015,830
Non-controlling interests		(1,908,432)	4,174,383	-	-
		2,628,483,754	1,494,856,047	2,359,396,412	1,407,015,830
Total comprehensive profit attributable to:					
Owners of the parent		2,632,568,704	1,467,234,127	2,359,396,412	1,399,684,725
Non-controlling interests		(1,908,432)	4,174,383	-	-
		2,630,660,272	1,471,408,510	2,359,396,412	1,399,684,725
Earnings per share					
Basic earnings per share (Baht)	30	2.19	1.24	1.97	1.17

The accompanying notes on page xx to xx are an integral part of these consolidated and separate financial statements.

Statement of Financial Position

Com7 Public Company Limited

As at 31 December 2021

	Note	Consolidated financial statements									
		Attributable to owners of the parent					Other comprehensive income				
		Retained earnings		Share of other comprehensive income of an associate and a joint venture			Unappropriated		Non-controlling interests		
		Issued and paid-up share capital	Premium on ordinary shares	Appropriated - legal reserve	Unappropriated	Share of other comprehensive income of an associate and a joint venture	Non-controlling interests	Total equity			
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Balance at 31 December 2020		300,000,000	898,760,685	30,000,000	2,116,298,969	-	-	2,365,605	3,347,425,259		
Change in equity for the year 2020											
Dividend payment	31	-	-	-	(960,000,000)	-	-	-	(960,000,000)		
Profit for the year		-	-	-	1,490,681,664	-	-	4,174,383	1,494,856,047		
Share of other comprehensive income of an associate and a joint venture accounted for using the equity method		-	-	-	(840,619)	(14,799,778)	-	-	(15,640,397)		
Non-controlling interests from investment in an indirect subsidiary		-	-	-	-	-	-	13,566,945	13,566,945		
Sales of a subsidiary		-	-	-	-	-	-	(1,572,144)	(1,572,144)		
Profit from measurement of defined employee benefit plans, net of tax		-	-	-	(7,807,140)	-	-	-	(7,807,140)		
Closing balance as at 31 December 2020		300,000,000	898,760,685	30,000,000	2,638,332,874	(14,799,778)	18,534,789	3,870,828,570			
Balance at 31 December 2021		300,000,000	898,760,685	30,000,000	2,638,332,874	(14,799,778)	18,534,789	3,870,828,570			
Change in equity for the year 2021											
Dividend payment	31	-	-	-	(1,200,000,000)	-	-	-	(1,200,000,000)		
Profit for the year		-	-	-	2,630,392,186	-	-	(1,908,432)	2,628,483,754		
Share of other comprehensive income of an associate accounted for using the equity method		-	-	-	952,789	1,223,729	-	-	2,176,518		
Non-controlling interests from investment in an indirect subsidiary		-	-	-	-	-	-	12,500,100	12,500,100		
Profit from measurement of defined employee benefit plans, net of tax		-	-	-	-	-	-	(13,238,587)	(13,238,587)		
Closing balance as at 31 December 2021		300,000,000	898,760,685	30,000,000	4,069,677,849	(13,576,049)	15,887,870	5,300,750,355			

The accompanying notes on page xx to xx are an integral part of these consolidated and separate financial statements.

Statement of Financial Position

Com7 Public Company Limited

As at 31 December 2021

	Note	Separate financial statements						Total equity
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Unappropriated	Baht	
				Appropriated - legal reserve	Baht			
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Balance at 31 December 2020		300,000,000	898,760,685	30,000,000	1,824,352,063		3,053,112,748	
Change in equity for the year 2020								
Dividend payment	31	-	-	-	(960,000,000)		(960,000,000)	
Profit for the year		-	-	-	1,407,015,830		1,407,015,830	
Profit from remeasurement of defined employee benefit plans, net of tax		-	-	-	(7,331,105)		(7,331,105)	
Closing balance as at 31 December 2020		300,000,000	898,760,685	30,000,000	2,264,036,788		3,492,797,473	
Balance at 31 December 2021		300,000,000	898,760,685	30,000,000	2,264,036,788		3,492,797,473	
Change in equity for the year 2021								
Dividend payment	31	-	-	-	(1,200,000,000)		(1,200,000,000)	
Profit for the year		-	-	-	2,359,396,412		2,359,396,412	
Closing balance as at 31 December 2021		300,000,000	898,760,685	30,000,000	3,423,433,200		4,652,193,885	

The accompanying notes on page xx to xx are an integral part of these consolidated and separate financial statements.

Statement of Financial Position

Com7 Public Company Limited

As at 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax expense		3,183,194,613	1,823,093,560	2,868,219,533	1,695,887,189
Depreciation	17	182,781,793	167,082,815	181,927,586	166,175,675
Depreciation - right-of-use assets	18	592,526,026	452,567,843	585,429,040	449,983,070
Amortisation - intangible assets	20	12,168,016	10,377,704	6,576,267	4,915,604
Gain from revaluation of financial assets at fair value through profit or loss	12	(126,028)	(1,229,760)	(125,601)	(1,209,909)
Gain from disposal of financial assets at fair value through profit or loss		(4,336,646)	-	(3,680,070)	-
Allowance for loss on impairment of trade and other receivables		65,705,812	2,964,215	27,996,481	2,107,846
Doubtful debt		-	2,959,676	-	2,959,676
(Reversal of) allowance for slow-moving inventories and for inventories cost in excess of net realisable value	13	11,666,999	(6,510,663)	9,220,692	(7,831,152)
Employee benefit expenses	24	14,119,763	8,805,374	12,320,551	8,193,473
(Gain) loss from disposals of buildings and equipment		(259,701)	3,733,227	(259,701)	3,675,980
Loss from write-off of buildings and equipment	17	4,750,395	5,934,493	4,750,385	5,934,493
Loss from write-off intangible assets	20	162,241	-	162,241	-
Loss from write-off of right-of-use assets		363,806	1,045,861	363,806	1,045,861
Amortisation of gain from sale and lease back		(639,332)	(1,539,512)	(639,332)	(1,539,512)
Rental reduction		(144,963,735)	(5,671,211)	(144,963,735)	(5,671,211)
Allowance for impairment on buildings and equipment	17	2,724,536	7,419,204	2,724,536	7,419,204
Allowance for impairment on intangible assets	20	-	1,353,626	-	-
Share of profit from an associate and a joint venture	15	(96,476,077)	(63,912,397)	-	-
Gain from bargain purchase in a joint venture		-	(37,092,608)	-	-
Gain from changes in ownership interest in an associate		-	(1,449,174)	-	-
Loss from changes in ownership interest in subsidiaries	16	163,615	-	-	-
Loss from disposal of investments in a subsidiary		-	1,076,513	-	-
(Reversal of) allowance for impairment on investment in a subsidiary		-	-	-	(276,100)
Interest income		(5,312,302)	(5,284,928)	(7,881,668)	(5,616,669)
Dividend income	32	-	-	(219,986,800)	(218,799,312)
Finance costs	27	47,885,240	53,147,096	46,097,432	53,781,047
Changes in working capital					
Trade and other receivables		(2,076,318,047)	203,519,747	(1,657,428,664)	(28,880,678)
Finance lease receivable		(512,099,724)	(17,794,630)	12,685,266	11,381,456
Contract assets		27,458,342	(105,807,769)	-	-
Inventories		(2,555,165,743)	1,161,574,397	(2,116,872,484)	1,182,738,889
Other current assets		(257,511,276)	29,672,967	(207,529,757)	38,765,142
Other non-current assets		(91,778,493)	(57,881,351)	(84,729,798)	(60,307,691)
Trade and other payables		2,634,447,453	(995,944,020)	2,538,143,216	(1,014,864,041)
Other current liabilities		12,525,196	(5,058,271)	13,029,267	701,383
Other non-current liabilities		23,235,850	23,107,486	23,175,848	23,107,484
Cash generated from operating activities					
Cash generated from operations		1,070,892,592	2,654,259,510	1,888,724,537	2,313,777,197
Finance costs paid		(45,848,034)	(55,366,011)	(45,692,467)	(54,736,058)
Income tax paid		(465,236,424)	(290,519,607)	(423,305,541)	(240,081,387)
Net cash generated from operating activities		559,808,134	2,308,373,892	1,419,726,529	2,018,959,752

The accompanying notes on page xx to xx are an integral part of these consolidated and separate financial statements.

Statement of Financial Position

Com7 Public Company Limited

As at 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cash flows from investing activities					
Restricted deposits at financial institutions		1,008,179	7,985,723	-	-
Net cash (paid) received for investment in financial assets at fair value through profit or loss		(119,999,518)	(248,000,000)	34,160,074	(186,000,000)
Payments for investments in an associate		-	(143,825,000)	-	(143,825,000)
Payments for investments in subsidiaries	16	-	(15,299,400)	(686,287,300)	(284,999,700)
Receipt from investments of an indirect subsidiary		12,500,100	-	-	-
Payments for decommissioning liabilities		(774,058)	(1,312,000)	(774,058)	(1,312,000)
Purchases of buildings and equipment		(297,676,273)	(212,856,607)	(296,998,651)	(211,727,756)
Purchases of intangible assets		(27,407,060)	(25,255,126)	(25,694,087)	(21,938,331)
Payments for right-of-use assets		(3,912,371)	(2,826,861)	(3,912,371)	(2,826,861)
Receipt from loan to a director	32	100,000	-	-	-
Receipt from loan to an associate	32	-	50,000,000	-	50,000,000
Receipt from loans to subsidiaries	32	-	-	1,980,000,000	280,000,000
Payments of loans to an associate and a joint venture	32	(300,000,000)	-	(300,000,000)	-
Payments of loans to a subsidiaries	32	-	-	(2,880,000,000)	(155,000,000)
Receipt from disposals of buildings and equipment		2,288,411	1,506,859	2,288,411	1,249,593
Disposal of a subsidiary		-	(282,141)	-	5,564,100
Dividend income	32	-	68,808,312	219,986,800	218,799,312
Interest income		18,696,034	5,413,051	6,896,682	9,850,203
Net cash used in investing activities		(715,176,556)	(515,943,190)	(1,950,334,500)	(442,166,440)
Cash flows from financing activities					
Net cash from short-term loans from financial institutions	22	2,518,481,178	(908,145,088)	2,534,526,797	(918,934,582)
Receipt from short-term loans from a subsidiary	32	-	-	430,000,000	408,000,000
Receipt from short-term loans from a director	32	-	4,080,000	-	-
Repayments for short-term loan from a subsidiary	32	-	-	(443,000,000)	(280,000,000)
Repayments for short-term loans form a director	32	-	(4,080,000)	-	-
Payments on lease liabilities		(366,457,958)	(356,268,521)	(360,206,099)	(353,538,194)
Payments for investment in subsidiaries from non-controlling interests	16	(13,402,203)	-	-	-
Dividend payment		(1,198,516,823)	(959,919,214)	(1,198,516,823)	(959,919,214)
Net cash generated (used in) from financing activities		940,104,194	(2,224,332,823)	962,803,875	(2,104,391,990)
Net increase (decrease) in cash and cash equivalents		784,735,772	(431,902,121)	432,195,904	(527,598,678)
Cash and cash equivalents at the beginning of the year		872,146,450	1,304,048,571	706,490,983	1,234,089,661
Cash and cash equivalents at the end of the year	10	1,656,882,222	872,146,450	1,138,686,887	706,490,983
Non-cash transactions					
Significant non-cash transactions					
Acquisitions of right-of-use assets under lease contracts		543,623,716	359,599,206	536,929,829	348,526,145
Outstanding payable arising from purchase of buildings and equipment		818,845	5,834,248	818,845	5,834,248
Outstanding payable arising from decommissioning liabilities		3,456,000	4,352,000	3,456,000	4,352,000

The accompanying notes on page xx to xx are an integral part of these consolidated and separate financial statements.

Notes to the Consolidated and Separate Financial Statements

Com7 Public Company Limited

As at 31 December 2021

1 General information

Com7 Public Company Limited (“the Company”) is a public limited company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

549/1 Sanphawut Road, South Bangna, Bangna, Bangkok, Thailand.

The principal business operations of the Company and its subsidiaries (together “the Group”) are selling IT products, mobiles and accessories and providing repair and services.

These consolidated and separate financial statements were authorised for issue by the board of directors on 25 February 2022.

2 Significant events during the current period

During 2021, the outbreak of Coronavirus Disease 2019 (“COVID-19 outbreak”) has resulted in the adverse effects very widespread which related to many industries, including the Group, on the operating results for the year ended 31 December 2021. The Group’s shops and service centres operating in department stores, shopping malls, and community malls in greater Bangkok and some provinces have been temporarily closed as a preventive measure over the pandemic of COVID-19 virus as the announcement of the government. The Group is paying close attention to the development of the COVID-19 pandemic and continuous planning how to effectively deal with the issue.

3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

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

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

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

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 and are relevant to the Group

a) Revised Conceptual Framework for Financial Reporting added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) Amendment to TFRS 3, Business combinations amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term ‘outputs’ is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

- c) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.
- d) **Amendment to TFRS 16, Leases** amended to provide a practical expedient where lessees are exempted from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. It applies to rent concessions that reduce the lease payments due by 30 June 2022. There is no impact on the opening balance of equity at 1 January 2021.

4.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 and are relevant to the Group

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group and the Company.

- a) **Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business** provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

5 Accounting policies

5.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

c) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

e) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

5.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

5.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's and the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

5.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date .

In the statements of financial position, bank overdrafts are shown in current liabilities.

5.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business. They are generally due for settlement within 7- 30 days and therefore are classified as current and non-current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 11.4.

5.6 Inventories

Inventories are stated at the lower of cost and net realisable value .

Cost of inventories is determined by the moving average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

5.7 Financial assets

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- 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 investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, 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.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest (SPPI).

c) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition and foreign exchange gains and losses are recognised directly in profit or loss and presented in other gain/ (losses) and currency exchange gain (loss), respectively. Impairment losses are presented as a separate line item in the profit or loss.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for 1) the recognition of impairment gains or losses, 2) interest income using the effective interest method, and 3) foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of profit or loss.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are 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.

d) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

e) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, contract assets and lease receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables, contract assets and lease receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables, contract assets and lease receivables. The Group applied historical credit loss adjusted with the management's judgement in estimating the expected credit loss.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

5.8 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group, capitalised where there is future economic benefits. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building improvements	5, 20 years
Furniture and office equipments	3 - 5 years
Motor vehicles	5 years

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

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

5.9 Goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

5.10 Intangible assets

Acquired intangible assets

Separately acquired intangible assets such as trademark is measured at historical cost.

The assets with infinite useful life are subsequently measured at cost less impairment losses.

The assets with limited life are subsequently carried and cost less accumulated amortisation and impairment losses. The amortisation is calculated using the straight-line method over their estimated useful lives, as follows:

Tradenames	20 years
Customer relationships	10 years
Distributor relationships	10 years

Computer software

Computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 10 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

5.11 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. 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 of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding information related to COVID-19 as an indication of the impairment of assets.

In addition, for goodwill that the Group has to test for impairment annually, the Group has chosen not to include information related to COVID-19 that potentially affect financial projections to consider for the asset's impairment testing.

5.12 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- variable lease payment that are based on an index or a rate.
- amounts expected to be payable by the lessee under residual value guarantees.
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

The Group has adopted the practical expedient in relation to COVID-19 Related Rent Concessions retrospectively from 1 January 2021. The practical expedient allows lessees to elect not to assess whether a rent concession related to COVID-19 is lease modification. Lessees adoption this election may account for qualifying rent concessions in the same way they would if they were not lease modifications. The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

- a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- b) Any reduction in lease payments affects only payments due on or before 30 June 2022; and
- c) There is no substantive change to other terms and conditions of the lease.

The Group has applied the practical expedient to all qualifying COVID-19 related rent concessions. Rent concession totalling Baht 144,963,735 have been accounted for as negative variable lease payments in selling and administrative expense reduction in right-of-use assets, with a corresponding adjustment to the lease liability. There is no impact on the opening balance of equity at 1 January 2021.

During the reporting period ended 2020, the Group received exemption and discounts in the lease payments from lessors due to the COVID-19 outbreak. The Group elected not to account for all exemptions/discounts in the lease payments under the lease modification in accordance with TFRS 16. Instead, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by reducing lease liabilities in the proportion of the reduction to the lease payments throughout the period that the Group has received the exemption and reduction. The Group also reversed depreciation charges on the right-of-use assets and interest expenses on the lease liabilities recognised in the same proportion of Baht 115,011,266 and Baht 4,033,725, respectively. The differences between the reduction of the lease liabilities and the reversal of the expenses of Baht 5,671,211 are recognised in other gains(losses) instead of remeasuring lease liabilities and adjusting the corresponding right-of-use assets from the lease modification.

Leases - where the Group is the lessor

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 which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

5.13 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost

c) Derecognition and modification

Financial liabilities are recognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is recognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

5.14 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognized.
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding information related to COVID-19 which causes uncertainty when considering the sufficiency of future taxable profit for the purpose of assessing the utilisation of deductible temporary differences. Instead, the Group writes down the carrying amount of the deferred tax assets when it's not probable that the future taxable profit will be available for utilising the deductible temporary differences.

5.15 Employee benefits

a) *Short-term employee benefits*

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses, and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) *Defined contribution plan*

The Group pays contributions to a separate fund on a contractual basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) *Defined benefit plans*

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

5.16 Provisions

Provisions are recognised 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 the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

5.17 Share capital

Ordinary shares are classified as equity.

5.18 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

a) Services

The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.

Contract assets and contract liabilities

A contract asset is recognised where the Group recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing.

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities is set off against contract assets.

b) Sale of goods - retail

The Group operates a chain of retail stores selling IT products, mobiles and accessories and providing repair and services. Revenue from the sale of goods is recognised when the Group sells a product to the customer.

Payment of the transaction price is due immediately when the customer purchases the products and takes delivery in store. It is the Group's policy to sell its products to the end customer with a right of return within 7 days. Therefore, a refund liability (included in trade and other payables) is recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level by applying expected value method. Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

The Group's obligation to repair or replace faulty products under the standard warranty terms is recognised as a provision and cost of sales.

Payments to customers

Payments to customers or on behalf of customers to other parties, including credited or subsequent discounts, are recognised as a reduction in revenue unless the payment constitutes consideration of a distinct goods or service from the customer.

c) Revenue from construction

Revenue from construction includes contracts to provide construction. Under the contracts, the Group's construction activities create or enhance an asset or work in progress that the customer controls as the asset is created or enhanced, and hence revenue is recognised over time by reference to the progress towards completing the construction works. Under this method, the revenue recognised is based on the latest estimate of the total value of the contract and actual completion rate determined by reference to the physical state of progress of the works.

Claims, variations and liquidated damages are accounted for as variable consideration and are included in contract revenue provided that it is highly probable that a significant reversal will not occur in the future.

Percentage of completion

Revenue from contracts to provide construction and service contracts where a defined output is promised, is recognised using the percentage of completion method. The stage of completion is generally determined as the percentage of cost incurred up until the reporting date relative to total estimated cost, adjusted with uninstalled materials that the customer accepts and takes control but not yet installed. Where the stage of completion is not reliably measured, revenue is only recognised up to the amount of contract costs expensed, provided it is recoverable.

5.19 Rebates

Rebates is recognised where there is documented evidence of an agreement with an individual supplier and where associated performance conditions are met. The types of rebates recognised by the Group are;

Type of Rebates	Nature	Recognition
Marketing and advertising	Rebates in respect of marketing and advertising activities when the Group performed the activities specified in the contract with the suppliers.	Rebates is recognised once the performance conditions have been achieved over the period as set out in the specific supplier agreement. This rebates recognised as a reduction on the selling expenses.
Volume-based rebates	Rebates earned by achieving volume or spend targets set by the supplier for specific products over specific periods.	Rebates is recognised through the year based on the terms of the supplier agreement. This rebates is recognised as a reduction to the cost of goods sold. If the inventories, related to the purchases from the seller have not yet been sold out, the rebates would be recognised as a reduction to the inventory balances.

Uncollected rebates as at statement of financial position date is classified as rebates receivable within trade and other receivables.

5.20 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

5.21 Derivatives

Embedded derivative and derivatives that do not qualify for hedge accounting

Embedded derivative that is separately accounted for and derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other gains(losses).

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

5.22 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under TFRS 9; and
- the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

6 Financial risk management

The group's exposure to financial risks and how these risks could affect the future financial performance are as follows:

Risk	Exposure arising from	Measurement	Management
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Thai Baht	Cash flow forecasts Sensitivity analysis	Foreign currency forwards
Credit risk	Cash and cash equivalents, trade and other receivables, derivative financial instruments, debt investment and contract assets	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letter of credit, investment guidelines for debt investments
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Group's risk management is controlled by a central treasury department under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

6.1 Financial risk factors

6.1.1 Market risk

a) Foreign exchange risk

The Group has low exposure to foreign currency exchange fluctuations from partly transaction purchase of goods and services that are denominated in foreign currencies. Entities in the Group use forward contracts to hedge their exposure to foreign correct risk in connection with measurement currency.

6.1.2 Credit risk

Credit risk arises from cash and cash equivalents, as well as credit exposures to customers, including outstanding receivables.

a) Risk management

The Group has no material credit risks for cash and short-term investments. This is because the Group uses quality financial institutions for cash and short-term investments. The Group manages credit risk by categorising the risks and has policies in place to ensure that contracts are made with customers who have an appropriate credit history, limiting customers' credit limit.

Sales to retail customers are required to be settled in cash or using major credit cards to mitigate credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors.

The Group's investments in debt instruments are considered to be low risk investments. The Group regularly monitors the credit ratings of the investments for credit deterioration.

b) Security

For some trade receivables the Group may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

c) Impairment of financial assets

The Group and the Company have following financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Finance lease receivables
- Contract assets
- Loan to related parties

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables, Finance lease receivable and Contract assets

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Management considered the amount of those expected credit losses on financial assets are immaterial.

6.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 1,657 million (2020: Baht 872 million) that are expected to readily generate cash inflows for managing liquidity risk.

Due to the dynamic nature of the underlying businesses, the group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group, in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining financing plans.

a) Financing arrangements

The Group had access to the following undrawn credit facilities as at 31 December:

	Consolidated financial statements			
	2021		2020	
	Baht	US Dollars	Baht	US Dollars
Loans with floating rate - expiring within one year	4,137,054,383	-	4,262,954,853	-
Credit facilities for purchase of goods	916,658,283	-	1,235,334,830	-
Forward contracts	236,927,093	14,400,000	190,934,914	14,400,000
	5,290,639,759	14,400,000	5,689,224,597	14,400,000
	Separate financial statements			
	2021		2020	
	Baht	US Dollars	Baht	US Dollars
Loans with floating rate - expiring within one year	4,090,159,127	-	4,149,395,727	-
Credit facilities for purchase of goods	869,447,937	-	1,126,863,959	-
Forward contracts	236,927,093	14,400,000	185,934,914	14,400,000
	5,196,534,157	14,400,000	5,462,194,600	14,400,000

b) Maturity of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Consolidated financial statements				
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Book value Baht
As at 31 December 2021					
Bank overdrafts and short-term loans from financial institutions	3,800,990,825	-	-	3,800,990,825	3,800,990,825
Trade and other payables	5,105,791,469	-	-	5,105,791,469	5,105,791,469
Lease liabilities	543,668,687	685,421,927	6,719,340	1,235,809,954	1,202,067,007
Other non-current financial liabilities	-	110,180,546	-	110,180,546	110,180,546
Total financial liabilities	9,450,450,981	795,602,473	6,719,340	10,252,772,794	10,219,029,847

	Consolidated financial statements				
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Book value Baht
As at 31 December 2020					
Bank overdrafts and short-term loans from financial institutions	1,282,509,647	-	-	1,282,509,647	1,282,509,647
Trade and other payables	2,464,340,173	-	-	2,464,340,173	2,464,340,173
Lease liabilities	518,507,951	723,070,225	5,266,843	1,246,845,019	1,205,748,907
Other non-current financial liabilities	-	87,584,027	-	87,584,027	87,584,027
Total financial liabilities	4,265,357,771	810,654,252	5,266,843	5,081,278,866	5,040,182,754

	Separate financial statements					
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Book value Baht
As at 31 December 2021						
Bank overdrafts and short-term loans from financial institutions	-	3,754,095,570	-	-	3,754,095,570	3,754,095,570
Trade and other payables	-	4,704,009,654	-	-	4,704,009,654	4,704,009,654
Short-term loan from related parties	325,000,000	-	-	-	325,000,000	325,000,000
Lease liabilities	-	537,615,699	682,548,906	6,719,340	1,226,883,945	1,193,282,426
Other non-current liabilities	-	-	110,120,543	-	110,120,543	110,120,543
Total financial liabilities	325,000,000	8,995,720,923	792,669,449	6,719,340	10,120,109,712	10,086,508,193

	Separate financial statements					
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Book value Baht
As at 31 December 2020						
Bank overdrafts and short-term loans from financial institutions	-	1,219,568,773	-	-	1,219,568,773	1,219,568,773
Trade and other payables	-	2,160,494,834	-	-	2,160,494,834	2,160,494,834
Short-term loan from related parties	338,000,000	-	-	-	338,000,000	338,000,000
Lease liabilities	-	512,852,446	720,214,732	5,266,845	1,238,334,023	1,197,406,352
Other non-current liabilities	-	-	87,584,026	-	87,584,026	87,584,026
Total financial liabilities	338,000,000	3,892,916,053	807,798,758	5,266,845	5,043,981,656	5,003,053,985

6.2 Capital management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

The Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

7 Fair value

Since the majority of the Group's financial assets and financial liabilities 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.

Level 2 Debt instruments are fair valued using a Net Asset Valuation ("NAV") approach as at period end date. The data is publicly available on the Thai Bond Market Association, which is calculated by fund manager of the mutual fund.

The following table presents fair value of financial assets and liabilities recognised or disclosed by their fair value hierarchy.

Consolidated financial statements										
	Level 1		Level 2		Level 3		Total		Carrying amount	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Assets										
Financial assets at fair value through profit or loss	-	-	193,691,951	249,229,759	-	-	193,691,951	249,229,759	193,691,951	249,229,759
Total assets	-	-	193,691,951	249,229,759	-	-	193,691,951	249,229,759	193,691,951	249,229,759
Separate financial statements										
	Level 1		Level 2		Level 3		Total		Carrying amount	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Assets										
Financial assets at fair value through profit or loss	-	-	156,855,506	187,209,909	-	-	156,855,506	187,209,909	156,855,506	187,209,909
Total assets	-	-	156,855,506	187,209,909	-	-	156,855,506	187,209,909	156,855,506	187,209,909

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of financial instruments is based on the closing price by reference to the Stock Exchange of Thailand / the Thai Bond Dealing Centre.
- Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments is not based on observable market data

Fair value measurement of financial assets and liabilities are in accordance with accounting policy disclosed in note 5.7 and 5.13.

There was no transfer between such levels during the period.

8 Critical estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) *Allowance for decrease in value of inventories*

The Group has established the allowance for decrease in value of inventories to reflect the net realise value from inventories. The allowance for decrease in value of inventories is the effect from the Group's analysis of obsolete and slow-moving inventories and sale forecast in the future. The balance of inventories will be written-off once they are obsoleted and unable to sell out.

b) *Goodwill impairment*

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in note 19. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

c) *Determination of lease terms*

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

d) *Determination of discount rate applied to leases*

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

e) *Impairment of financial assets*

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period

9 Segment information

The Group's strategic steering committee, consisting of the chief executive officer, the chief financial officer, examines, and the manager for corporate planning, examines the Group's performance both from a product and geographic perspective and has identified 2 reportable segments of the Group's businesses and 2 reportable segments of the Company's businesses.

The steering committee primarily uses a measure of segments' gross margin to assess the performance of the operating segments.

Significant information relating to revenue and profit of the reportable segments are as follows.

	Consolidated financial statements					
	For the year ended 31 December 2021			For the year ended 31 December 2020		
	Retail	Others	Total	Retail	Others	Total
	Million Baht			Million Baht		
Revenue						
Revenue from sales and services	47,078	4,048	51,126	34,877	2,429	37,306
Total revenue	47,078	4,048	51,126	34,877	2,429	37,306
Timing of revenue recognition						
At a point in time	47,078	3,881	50,959	34,877	2,255	37,132
Over time	-	167	167	-	174	174
	47,078	4,048	51,126	34,877	2,429	37,306
Cost						
Cost of sales and services	(40,926)	(3,354)	(44,280)	(30,457)	(2,139)	(32,596)
Total cost	(40,926)	(3,354)	(44,280)	(30,457)	(2,139)	(32,596)
Gross profit	6,152	694	6,846	4,420	290	4,710
Gross profit (percentage)	13.07	17.14	13.39	12.67	11.94	12.63
Gain (loss) from exchange rate, net			22			4
Other income			28			47
Share of profit of an investment in associate and a joint venture			96			101
Selling expenses			(2,913)			(2,348)
Administrative expenses			(848)			(638)
Finance costs			(48)			(53)
Profit before income tax expense			3,183			1,823
Income tax expense			(555)			(328)
Profit for the period			2,628			1,495

Disaggregation of revenue from contracts with customers has the same categories as segment information presented in the interim financial information.

10 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cash on hand	65,359,492	54,878,911	60,943,540	51,437,671
Deposits with financial institutions				
- current accounts	457,931,035	177,128,671	131,854,643	116,871,769
- savings accounts	1,133,591,695	640,138,868	945,888,704	538,181,543
Total	1,656,882,222	872,146,450	1,138,686,887	706,490,983

As at 31 December 2021, deposits at financial institutions - savings accounts carried interest at the rate of 0.05% - 0.20% per annum (2020 : 0.05% - 0.25% per annum).

11 Trade receivables, other receivables and contract assets

11.1 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade receivables - other companies	439,953,914	328,425,434	418,459,408	315,670,626
- subsidiaries (Note 32)	-	-	242,274,506	28,132,432
- associates (Note 32)	-	258,940	-	258,940
- other related parties (Note 32)	153,294	41,449	153,294	41,449
Installment receivables	895,450,373	-	895,450,373	-
<u>Less</u> Loss allowance	<u>(42,419,375)</u>	<u>(14,747,256)</u>	<u>(42,161,488)</u>	<u>(14,165,007)</u>
Trade receivables - net	1,293,138,206	313,978,567	1,514,176,093	329,938,440
Other receivables - other companies	75,553,252	29,812,547	74,705,277	15,584,167
- subsidiaries (Note 32)	-	-	15,261,721	28,986,359
- other related parties (Note 32)	2,280,275	2,773,926	92,281	585,932
Prepayments	37,031,495	17,800,562	33,282,143	14,456,253
Accrued income	454,338,629	212,496,741	234,364,567	139,485,895
Rebate receivable - other companies	219,357,441	134,592,987	198,960,520	119,582,011
- subsidiaries (Note 32)	-	-	97,600	11,114,896
Advance payment for inventories	862,806,457	152,848,002	416,999,150	152,848,002
Total	2,944,505,755	864,303,332	2,487,939,352	812,581,955

Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

11.2 Contract assets

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Contract assets				
- current	78,349,427	105,807,769	-	-
- non-current	-	-	-	-
<u>Less</u> Loss allowance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total contract assets	78,349,427	105,807,769	-	-

11.3 Finance lease receivable

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Finance lease receivable				
- current	468,372,600	37,643,598	12,993,106	12,524,067
- non-current	129,518,321	48,147,599	11,163,679	24,317,984
Less Loss allowance	(38,033,693)	-	-	-
Total finance lease receivable	559,857,228	85,791,197	24,156,785	36,842,051

11.4 Impairments of trade receivables and contract assets

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables contract assets and finance lease receivables. As of 31 December 2020, the expected credit loss of Baht 14,747,256 million for trade receivables and Baht 14,165,007 million for contract assets were assessed based on historical credit loss together with the management's judgement in estimating the expected credit loss.

The loss allowance for trade receivables and contract assets was determined as follows:

As of 31 December 2021	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables	1,224,444,688	76,745,064	11,018,501	10,210,190	13,139,138	1,335,557,581
- contract assets	78,349,427	-	-	-	-	78,349,427
- finance lease receivables	322,596,465	227,217,804	15,096,916	32,979,736	-	597,890,921
Loss allowance	(12,957,004)	(19,770,870)	(8,892,477)	(25,693,579)	(13,139,138)	(80,453,068)

As of 31 December 2020	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables	296,087,313	19,450,853	1,051,915	455,960	11,679,782	328,725,823
- contract assets	105,807,769	-	-	-	-	105,807,769
- finance lease receivables	85,791,197	-	-	-	-	85,791,197
Loss allowance	(16,135)	(1,888,737)	(753,416)	(409,186)	(11,679,782)	(14,747,256)

As of 31 December 2021	Separate financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
Gross carrying amount						
- trade receivables	1,445,531,703	76,652,036	11,018,501	10,254,090	12,881,251	1,556,337,581
- contract assets	-	-	-	-	-	-
- finance lease receivables	24,156,785	-	-	-	-	24,156,785
Loss allowance	(6,667,146)	(8,922,589)	(3,443,098)	(10,247,404)	(12,881,251)	(42,161,488)

As of 31 December 2020	Separate financial statements					Total Baht
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	
Gross carrying amount						
- trade receivables	304,302,687	26,887,980	1,051,915	455,960	11,404,905	344,103,447
- contract assets	105,807,769	-	-	-	-	105,807,769
- finance lease receivables	36,842,051	-	-	-	-	36,842,051
Loss allowance	(16,135)	(1,581,365)	(753,416)	(409,186)	(11,404,905)	(14,165,007)

The reconciliations of loss allowance for trade receivables and contract assets for the year ended 31 December are as follow:

	Consolidated financial statements			
	Trade receivables		Trade receivables	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening loss allowance as at 1 January	14,747,256	10,085,265	-	-
Increase in loss allowance recognised in profit or loss during the year	27,672,119	4,661,991	38,033,693	-
Receivable written off during the year as uncollectible	-	-	-	-
As of 31 December	42,419,375	14,747,256	38,033,693	-
	Separate financial statements			
	Trade receivables		Trade receivables	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening loss allowance as at 1 January	14,165,007	9,810,388	-	-
Increase in loss allowance recognised in profit or loss during the year	27,996,481	4,354,619	-	-
Receivable written off during the year as uncollectible	-	-	-	-
As of 31 December	42,161,488	14,165,007	-	-

12 Financial assets and financial liabilities

The classification of the Group's financial assets and financial liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Financial assets				
Financial assets at amortised cost				
- Cash and cash equivalents	1,656,882,222	872,146,450	1,138,686,887	706,490,983
- Trade and other receivables	2,707,270,470	864,303,332	2,250,704,067	812,581,955
- Contract assets	78,349,427	105,807,769	-	-
- Finance lease receivables	559,857,228	85,791,197	24,156,785	36,842,051
- Short-term loans to related party	306,316,304	6,416,304	1,200,000,000	-
- Other non-current financial assets	583,513,010	496,474,447	559,515,746	475,241,034
Financial assets at fair value through profit or loss (FVPL)	373,691,951	249,229,759	156,855,506	187,209,909
	6,265,880,612	2,680,169,258	5,329,918,991	2,218,365,932

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Financial liabilities				
Financial liabilities at amortised cost				
- Bank overdrafts and short-term borrowings from financial institutions	3,800,990,825	1,282,509,647	3,754,095,570	1,219,568,773
- Trade and other payables	5,105,791,469	2,464,340,173	4,704,009,654	2,160,494,834
- Lease liabilities	1,202,067,007	1,205,748,907	1,193,282,426	1,197,406,352
- Other non-current financial liabilities	110,180,545	87,584,027	110,120,543	87,584,026
	10,219,029,846	5,040,182,754	9,761,508,193	4,665,053,985

12.1 Financial assets at fair value through profit

a) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI
- equity investments that are held for trading, and
- equity investments for which the entity has irrevocably not elected at initial recognition to recognise fair value gains and losses through OCI.

Financial assets measured at FVPL include the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Current assets				
- Debt investments	193,691,951	249,229,759	156,855,506	187,209,909
	193,691,951	249,229,759	156,855,506	187,209,909
Non-current assets				
- Unlisted preference shares	160,000,000	-	-	-
- Unlisted equity securities	20,000,000	-	-	-
	180,000,000	-	-	-

Chayo JV Assets Management Company Limited

On 24 May 2021, Novus Integration Company Limited, a subsidiary, enter into a share purchase agreement to acquire shares of Chayo JV Assets Management Company Limited, companies that in the assets management business by purchasing shares from issuing additional common shares of 200,000 shares at Baht 100 per share, totaling Baht 20 million and preferred shares of 1,600,000 shares at Baht 100 per share, totaling Baht 160 million. The Company paid for this additional paid-up share capital totaling Baht 180 million. The Company has no operation until now.

b) Amounts recognised in profit or loss

The following gains/(losses) were recognised in profit or loss during the year as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Fair value gains (losses) on equity investments at FVPL recognized in other gains/(losses)	-	-	-	-
Fair value gains (losses) on debt instruments at FVPL recognised in other gains/(losses)	4,462,674	1,229,760	3,805,671	1,209,909

Movements of investments for year ended 31 December 2021 is as follows:

	Consolidated financial information Baht	Separate financial information Baht
Debt investments		
Opening net book value	249,229,759	187,209,909
Net increase (decrease)	(55,663,836)	(30,480,004)
Change in fair value	126,208	125,601
Closing net book value	193,691,591	156,855,506
Equity investments		
Opening net book value	-	-
Increase	180,000,000	-
Closing net book value	180,000,000	-
Total	373,691,951	156,855,506

13 Inventories, net

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Finished goods	6,373,356,543	3,818,163,169	5,911,020,840	3,794,148,356
<u>Less</u> Allowance for obsolete and slow-moving inventories and for inventories cost in excess of net realisable value	(165,456,644)	(153,789,645)	(161,689,848)	(152,469,156)
	6,207,899,899	3,664,373,524	5,749,330,992	3,641,679,200
Goods in transit	-	27,629	-	-
Total	6,207,899,899	3,664,401,153	5,749,330,992	3,641,679,200

During the years ended 31 December 2021 and 31 December 2020, amounts recognised as cost of sales in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cost of sales and cost of services	43,735,975,991	32,150,204,152	43,582,919,955	31,960,738,943
Write-down of obsolete and slow-moving inventories and for inventories cost in excess of net realisable value	14,667,219	4,922,076	12,220,912	3,601,587
Reversal of write-down of obsolete and slow- moving inventories and for inventories cost in excess of net realisable value	(3,000,220)	(11,432,739)	(3,000,220)	(11,432,739)

The Group sold inventory that was previously write-down to a customer at original cost. Therefore, the Group reversed the allowance for net realisable value during the year

14 Other current assets

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Undue input value added tax	22,148,023	3,587,110	8,677,673	965,125
Value added tax receivables	237,857,165	30,045,649	184,598,880	22,209,236
Office supplies	10,795,485	9,581,036	10,795,485	9,581,036
Others	2,488,628	17,504,461	2,428,605	11,155,716
Total	273,289,301	60,718,256	206,500,643	43,911,113

15 Investments in an associate

As at 31 December 2021 and 2020, the material investments in an associate and a joint venture are as follows:

Entity name	Country of incorporation	Nature of business	% of ownership interest		Consolidated financial statements Investment at equity method		Separate financial statements Investment at cost method	
			2021 %	2020 %	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Next Capital Public Company Limited	Thailand	Motorcycle hire purchasing	33.93	33.93	773,666,424	675,013,828	593,575,203	593,575,203

As at 31 December 2021, the fair value of the Group and the Company's interests in NCAP, which is listed in the Stock Exchange of Thailand, were Baht 3,038.49 million (2020: Baht 1,710.07 million).

There are no contingent liabilities in respect of the Group's interest in an associate.

15.1 Movements of investments in an associate

The movements of investments in an associate are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
As at 1 January	675,013,828	-	593,575,203	-
Reclassify from investment in a joint venture	-	518,377,765	-	449,750,203
Additions	-	143,825,000	-	143,825,000
Share of profit of an associate	96,476,077	11,396,002	-	-
Share of other comprehensive income (expense)	2,176,519	(34,113)	-	-
Gain on change of interest in investment in an associate	-	1,449,174	-	-
As at 31 December	773,666,424	675,013,828	593,575,203	593,575,203

15.2 Summarised financial information for an associate:

The table below is summarised of financial information for an associate that is material to the Group. The financial information is included in an associate own financial statements which has been amended to reflect adjustments necessary for the equity method, including adjusting fair value and differences in accounting policy.

Summarised statement of comprehensive income

	Next Capital Public Company Limited	
	2021 Baht	2020 Baht
Revenue	1,381,854,438	1,141,396,476
Profit from continuing operations	355,210,520	218,459,854
Income tax expense	(71,635,362)	(44,053,938)
Post tax profit from continued operations	283,575,160	174,405,916
Other comprehensive income (expenses)	6,414,732	(22,494,063)
Total comprehensive income (expenses)	289,989,892	151,911,853

Summarised of statement of financial position

	Next Capital Public Company Limited	
	2021 Baht	2020 Baht
Total current assets	2,509,728,088	2,587,962,831
Total non-current assets	3,574,954,638	2,356,442,875
Total assets	6,084,682,726	4,944,405,706
Total current liabilities	1,888,472,058	1,330,804,474
Total non-current liabilities	1,976,767,122	1,698,773,935
Total liabilities	3,865,239,180	3,029,578,409
Net assets	2,219,443,546	1,914,827,297
Reconciliation to carrying amounts:		
Opening net assets	1,914,827,297	1,253,430,512
Profit for the period	283,575,160	174,405,915
Other comprehensive income	6,414,732	(22,494,063)
Impact from adoption new standard	-	(26,653,461)
Gain on change of interest in investment	-	65,618,394
Issue of shares	-	660,000,000
The issuance cost	-	(17,460,000)
Other change in equity of an associate	14,626,357	-
Dividends paid	-	(172,020,000)
Closing net assets	2,219,443,546	1,914,827,297
Group's share in an associate (%)	33.93	33.93
Group's share in an associate (Baht)	753,057,195	649,700,902
Goodwill	39,063,210	39,063,210
Gain on fair value adjustment from step up acquisition	(13,467,125)	(13,750,284)
Other change in equity of an associate	(4,986,856)	-
Associate carrying amount	773,666,424	675,013,828

16 Investments in subsidiaries

As at 31 December 2021, the subsidiaries included in consolidated financial statement. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Subsidiaries as at 31 December comprise the following:

Entity name	Nature of business	Country of incorporation	Ownership interest held by the Company		Ownership interest held by the Group		Ownership interests held by non-controlling interests		Investment in Cost method		
			2021 (%)	2020 (%)	2021 (%)	2020 (%)	2021 (%)	2020 (%)	2021 Baht	2020 Baht	
Subsidiaries											
Adept Company Limited (formerlys Banana Group Company Limited)	IT product sale	Thailand	99.99	99.99	99.99	99.99	0.01	0.01	745,200,380	295,200,380	
Less Allowance for loss on impairment								(15,200,380)	(15,200,380)		
									730,000,000	280,000,000	
Novus Integration Co. Ltd.	Develop Computer Software	Thailand	99.99	90.00	99.99	90.00	0.01	10.00	248,834,966	12,547,666	
Double7 Company Limited	Distributor	Thailand	99.99	99.99	99.99	99.99	0.01	0.01	4,999,700	4,999,700	
See Know How Company Limited	Training	Thailand	99.99	99.99	99.99	99.99	0.01	0.01	4,999,700	4,999,700	
Indirect subsidiaries											
Thunder FinFin Company Limited	IT product sale	Thailand	-	-	99.99	99.99	0.01	0.01	659,999,720	209,999,720	
Prime Solution and Services Company Limited	ICT Infrastructure Solution Provider	Thailand	-	-	48.98	48.98	51.02	51.02	9,223,965	19,200,100	
Lorhong Company Limited	Dealer of Motorcycle	Thailand	-	-	99.99	-	0.01	-	12,114,903	-	

The movements in book value of investments in subsidiaries for the years ended 31 December comprise the following:

	Separate financial statements	
	2021 Baht	2020 Baht
As at 1 January	302,547,066	22,835,366
Increase in investment		
- Novus Integration Company Limited	236,287,300	-
- Adept Company Limited	450,000,000	280,000,000
- See Know How Company Limited	-	4,999,700
Disposal		
- Itec Software Company Limited	-	(5,288,000)
As at 31 December	988,834,366	302,547,066

The transaction during the year is as follows:

Dividends received - Double 7 Co., Ltd.

On 30 April 2021, the Annual General Meeting of the Company approved to pay a dividend for the year 2020 of Baht 3,600 per share (2020 : 3,000 per share), totalling Baht 180 million (2020 : Baht 150 million)

Purchase of investment and Increase in share capital of Novus Integration Co., Ltd.

In April 2021, the Board of director resolved to approve invested in ordinary shares of Novus Integration Company Limited, a subsidiary, by acquiring of 15,000 shares which equals to 9.99% of authorized share capital from existing shareholders at Baht 85.82 per share, totaling Baht 1.3 million, and owned 99.99% shareholding interest in Novus Integration Company Limited's authorised shares capital. The Company received all shares from existing shareholders on 30 April 2021 and already paid the full amount of shares on 31 May 2021.

The effect of change in the ownership interest of the Group on the equity attributable to owners of the parent during the period is summarised as follows:

	Baht
For the year ended 31 December 2021	
Net book value of Non-controlling interest	1,286,515
Net cash payment for Non-controlling interest	1,287,300
Premium/(discount) of consideration received	(785)

The discount of consideration received from change in ownership interest in a subsidiary was immaterial. The Company recorded such discount as other expense in the consolidated statement of comprehensive income for the year ended 31 December 2021.

In June 2021, the Company acquire shares of Novus Integration Company Limited, a subsidiary, by purchased shares from additional shares of 2,350,000 shares at Baht 100, totaling Baht 235 million. However, increase in share capital still maintain the previous shareholding interest portion. The Company already paid the full amount of Baht 235 million on 30 June 2021.

Increase in share capital of Adept Co., Ltd.

In December 2021, the Company increase in the investment in ordinary shares of Adept Co.,Ltd, by issuing additional 4,500,000 ordinary shares at the par values of Baht 100 each totalling to Baht 450 million. However, increase in share capital still maintain the previous shareholding interest portion. The Company already paid the full amount of Baht 450 million on 7 December 2021.

Investment in an indirect subsidiary**Lorthong Company Limited**

On 4 June 2021, Double Seven Company Limited, a subsidiary, invested in ordinary shares of Lorthong Company Limited which has authorised shares capital Baht 50 million. (50,000 shares at par 1,000 Baht per share) The Group owned 74.99% shareholding interest in Lorthong Company Limited's authorised shares capital. The Group already paid the amount of Baht 37.50 million.

Subsequently, on 14 July 2021 Novus Integration Company Limited, a subsidiary, acquired shares of Lorthong Company Limited from Double7 Company Limited which owned 74.99% shareholding interest in Lorthong Company Limited's authorised shares capital.

On 28 October 2021, Novus Integration Company Limited, a subsidiary, acquired shares of Lorthong Company Limited from existing shareholders at Baht 96.69 each, totalling Baht 12 million. The acquisition resulted in change in shareholding interests of subsidiary from 74.99% to 99.99%. The Company already paid full amount of shares and received all shares from existing shareholders on 15 November 2021.

The effect of change in the ownership interest of the Group on the equity attributable to owners of the parent during the period is summarised as follows:

	Baht
For the year ended 31 December 2021	
Net book value of Non-controlling interest	11,925,073
Net cash payment for Non-controlling interest	12,114,903
Premium/(discount) of consideration received	(162,830)

The discount of consideration received from change in ownership interest in a subsidiary was immaterial. The Company recorded such discount as other expense in the consolidated statement of comprehensive income for the year ended 31 December 2021.

In December 2021, Lorthong Company Limited decrease of registered capital from Baht 50 million to Baht 12.5 million by decreasing 375,000 ordinary shares at a par value of Baht 100 per share, totalling Baht 37.5 million.

Thunder Fin Fin Company Limited

At the Extraordinary General Meeting of Thunder Fin Fin Company Limited on 3 December 2021, the shareholders passed a resolution to approve an increase in the registered capital from Baht 150 million to 600 million by issuing additional 4,500,000 ordinary shares at the par value of Baht 100 each, totalling Baht 450 million. However, increase in share capital still maintain the previous shareholding interest portion. The Company already paid the full amount of Baht 450 million on 13 December 2021.

17 Property, plant and equipment, net

	Consolidated financial statements						
	Land Baht	Building improvements Baht	Furniture and office equipment Baht	Equipment available for rent Baht	Motor vehicles Baht	Construction in progress Baht	Total Baht
As at 1 January 2020							
Cost	-	754,912,666	475,327,157	49,160,034	7,112,171	2,725,497	1,289,237,525
Less Accumulated depreciation	-	(435,909,740)	(296,779,625)	(16,137,602)	(5,119,422)	-	(753,946,389)
Less Allowance for impairment	-	(30,504)	(3,307,611)	-	-	-	(3,338,115)
Net book amount	-	318,972,422	175,239,921	33,022,432	1,992,749	2,725,497	531,953,021
Adjustments from new accounting policy							
Cost	-	(18,880,000)	-	(49,160,034)	(2,644,115)	-	(70,684,149)
Less Accumulated depreciation	-	5,588,635	-	16,137,602	1,105,458	-	22,831,695
Net book amount	-	(13,291,365)	-	(33,022,432)	(1,538,657)	-	(47,852,454)
For the year ended 31 December 2020							
Opening net book amount	-	305,681,057	175,239,921	-	454,092	2,725,497	484,100,567
Additions	344,904	84,663,496	78,644,140	1,964,110	-	40,684,730	206,301,380
Additions from decommissioning	-	-	1,020,455	-	-	-	1,020,455
Sales of a subsidiary	-	-	(38,445)	-	-	-	(38,445)
Disposals, net	-	-	(5,240,089)	-	-	-	(5,240,089)
Write-off, net	-	(5,234,265)	(700,228)	-	-	-	(5,934,493)
Transfers in (out)	-	37,174,046	1,901,328	-	-	(39,075,374)	-
Depreciation charge	-	(92,374,249)	(74,325,162)	(272,076)	(111,328)	-	(167,082,815)
Impairment charge	-	(8,908,655)	1,489,451	-	-	-	(7,419,204)
Closing net book amount	344,904	321,001,430	177,991,371	1,692,034	342,764	4,334,853	505,707,356
As at 31 December 2020							
Cost	344,904	845,142,760	533,559,913	1,964,110	3,907,057	4,334,853	1,389,253,597
Less Accumulated depreciation	-	(515,202,171)	(355,208,358)	(272,076)	(3,564,293)	-	(874,246,898)
Less Allowance for impairment	-	(8,939,159)	(360,184)	-	-	-	(9,299,343)
Net book amount	344,904	321,001,430	177,991,371	1,692,034	342,764	4,334,853	505,707,356

	Separate financial statements					Total Baht
	Building improvements Baht	Furniture and office equipment Baht	Equipment available for rent Baht	Motor vehicles Baht	Construction in progress Baht	
As at 1 January 2020						
Cost	754,879,843	471,629,514	49,160,034	6,551,172	2,657,314	1,284,877,877
Less Accumulated depreciation	(435,907,421)	(293,949,774)	(16,137,603)	(4,558,423)	-	(750,553,221)
Less Allowance for impairment	-	(2,947,430)	-	-	-	(2,947,430)
Net book amount	318,972,422	174,732,310	33,022,431	1,992,749	2,657,314	531,377,226
Adjustments from new accounting policy						
Cost	(18,880,000)	-	(49,160,034)	(2,644,116)	-	(70,684,150)
Less Accumulated depreciation	5,588,635	-	16,137,603	1,105,458	-	22,831,696
Net book amount	(13,291,365)	-	(33,022,431)	(1,538,658)	-	(47,852,454)
For the year ended 31 December 2020						
Opening net book amount	305,681,057	174,732,310	-	454,091	2,657,314	483,524,772
Additions	84,663,496	77,866,699	1,964,110	-	40,678,223	205,172,528
Disposals, net	-	(4,925,575)	-	-	-	(4,925,575)
Write-off, net	(5,234,265)	(700,228)	-	-	-	(5,934,493)
Transfers in (out)	37,174,046	1,826,638	-	-	(39,000,684)	-
Depreciation charge	(92,374,249)	(73,418,023)	(272,076)	(111,327)	-	(166,175,675)
Impairment charge	(8,908,655)	1,489,451	-	-	-	(7,419,204)
Closing net book amount	321,001,430	176,871,272	1,692,034	342,764	4,334,853	504,242,353
As at 31 December 2020						
Cost	845,109,938	529,597,038	1,964,110	3,907,056	4,334,853	1,384,912,995
Less Accumulated depreciation	(515,199,854)	(352,725,766)	(272,076)	(3,564,292)	-	(871,761,988)
Less Allowance for impairment	(8,908,654)	-	-	-	-	(8,908,654)
Net book amount	321,001,430	176,871,272	1,692,034	342,764	4,334,853	504,242,353

	Separate financial statements					Total Baht
	Building improvements Baht	Furniture and office equipment Baht	Equipment available for rent Baht	Motor vehicles Baht	Construction in progress Baht	
For the year ended 31 December 2021						
Opening net book amount	321,001,430	176,871,272	1,692,034	342,764	4,334,853	504,242,353
Additions	72,401,581	132,745,690	-	-	94,198,977	299,346,248
Transfer in from right-of-use assets (Note 18)	-	-	1,473,308	-	-	1,473,308
Disposals, net	-	(555,402)	(1,473,308)	-	-	(2,028,710)
Write-off, net	(4,442,557)	(307,828)	-	-	-	(4,750,385)
Transfers in (out)	74,131,509	-	-	-	(74,131,509)	-
Depreciation charge	(103,954,388)	(77,469,680)	(392,273)	(111,245)	-	(181,927,586)
Impairment charge	(2,724,536)	-	-	-	-	(2,724,536)
Closing net book amount	356,413,039	231,284,052	1,299,761	231,519	24,402,321	613,630,692
As at 31 December 2021						
Cost	978,416,058	655,188,194	1,964,110	3,907,056	24,402,321	1,663,877,739
Less Accumulated depreciation	(612,057,840)	(423,904,142)	(664,349)	(3,675,537)	-	(1,040,301,868)
Less Allowance for impairment	(9,945,179)	-	-	-	-	(9,945,179)
Net book amount	356,413,039	231,284,052	1,299,761	231,519	24,402,321	613,630,692

As at 31 December 2021, depreciation expense of Baht 181,927,586 (2020 : Baht 166,175,675) included Baht 392,273 (2020 : Baht 272,076) charged in cost of sales and services Baht 159,520,976 (2020 : Baht 146,662,770) charged in selling expenses and Baht 22,014,337 (2020 : Baht 19,240,829) charged in administrative expenses.

18 Right-of-use assets, net

	Consolidated financial statements			
	Buildings Baht	Equipment Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2020	1,454,517,065	33,022,432	1,538,659	1,489,078,156
Additions	352,552,316	-	-	352,552,316
Lease modifications and reassessments	14,225,571	-	-	14,225,571
Lease termination, net	(23,062,723)	-	-	(23,062,723)
Depreciation	(442,205,483)	(9,833,439)	(528,921)	(452,567,843)
Difference from rental reduction	(115,011,266)	-	-	(115,011,266)
Balance as at 31 December 2020	1,241,015,480	23,188,993	1,009,738	1,265,214,211

	Consolidated financial statements			
	Buildings Baht	Equipment Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2021	1,241,015,480	23,188,993	1,009,738	1,265,214,211
Additions	533,726,960	-	1,622,400	535,349,360
Lease modifications and reassessments	(7,934,347)	-	-	(7,934,347)
Transfer out to property, plant, and equipment (Note 17)	-	(1,473,308)	-	(1,473,308)
Lease termination, net	(11,925,841)	-	(363,806)	(12,289,647)
Depreciation	(582,228,590)	(9,757,590)	(539,846)	(592,526,026)
Balance as at 31 December 2021	1,172,653,662	11,958,095	1,728,486	1,186,340,243

	Separate financial statements			
	Buildings Baht	Equipment Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2020	1,454,517,065	33,022,432	1,538,659	1,489,078,156
Additions	341,479,435	-	-	341,479,435
Lease modifications and reassessments	14,225,571	-	-	14,225,571
Lease termination, net	(23,062,723)	-	-	(23,062,723)
Depreciation	(439,620,710)	(9,833,439)	(528,921)	(449,983,070)
Difference from rental reduction	(115,011,266)	-	-	(115,011,266)
Balance as at 31 December 2020	1,232,527,372	23,188,993	1,009,738	1,256,726,103

	Separate financial statements			
	Buildings Baht	Equipment Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2021	1,232,527,372	23,188,993	1,009,738	1,256,726,103
Additions	527,033,073	-	1,622,400	528,655,473
Lease modifications and reassessments	(7,934,347)	-	-	(7,934,347)
Transfer out to property, plant, and equipment (Note 17)	-	(1,473,308)	-	(1,473,308)
Lease termination, net	(11,925,841)	-	(363,806)	(12,289,647)
Depreciation	(575,131,604)	(9,757,590)	(539,846)	(585,429,040)
Balance as at 31 December 2021	1,164,568,653	11,958,095	1,728,486	1,178,255,234

The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Expense relating to short-term leases	170,667,195	112,600,347	165,945,135	112,600,347
Income from subleasing right-of-use asset	14,909,469	13,949,231	14,909,469	13,949,231
Payments on lease liabilities	93,214,405	78,199,107	89,262,664	77,231,008

19 Goodwill, net

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
As 1 January				
Cost	123,691,216	125,242,326	45,655,040	45,655,040
<u>Less</u> Provision for impairment	-	(2,712,000)	-	-
Net book amount	123,691,216	122,530,326	45,655,040	45,655,040
For the year ended 31 December				
Opening net book amount	123,691,216	122,530,326	45,655,040	45,655,040
Sales of a subsidiary	-	(5,004,302)	-	-
Acquisition of an indirect subsidiary	-	6,165,192	-	-
Closing net book amount	123,691,216	123,691,216	45,655,040	45,655,040
At 31 December				
Cost	123,691,216	123,691,216	45,655,040	45,655,040
<u>Less</u> Allowance for impairment	-	-	-	-
Net book amount	123,691,216	123,691,216	45,655,040	45,655,040

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment. A segment-level summary of the goodwill allocation is presented below.

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Goodwill allocation by segment				
Retails	45,655,040	117,526,024	45,655,040	45,655,040
Other	78,036,176	78,036,176	-	-
Total	123,691,216	123,691,216	45,655,040	45,655,040

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

The key assumptions used for value-in-use calculations are as follows:

	Retail	Other
Gross margin ¹	13%	82%
Growth rate ²	7%	21%
Discount rate ³	14%	14%

¹ Budgeted gross margin.

² Weighted average growth rate used to extrapolate cash flows beyond the budget period.

³ Post-tax discount rate applied to the cash flow projections.

These assumptions have been used for the analysis of each CGU within the business segment.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

20 Intangible assets, net

	Consolidated financial statements				
	Tradenames Baht	Customer Relationship Baht	Computer software Baht	Computer software during installation Baht	Total Baht
As at 1 January 2020					
Cost	115,930,000	-	34,455,833	6,182,650	156,568,483
<u>Less</u> Accumulated amortisation	(8,296,500)	-	(12,737,977)	-	(21,034,477)
<u>Less</u> Allowance for impairment	-	-	(7,491,072)	-	(7,491,072)
Net book amount	107,633,500	-	14,226,784	6,182,650	128,042,934
For the year ended 31 December 2020					
Opening net book amount	107,633,500	-	14,226,784	6,182,650	128,042,934
Addition	-	-	813,420	24,441,706	25,255,126
Addition from transfer business from an indirect subsidiary	-	17,060,000	-	-	17,060,000
Sales of a subsidiary	-	-	(41,671)	-	(41,671)
Transfer in (out)	-	-	16,346,555	(16,346,555)	-
Amortisation charge	(5,796,935)	(1,706,000)	(2,874,769)	-	(10,377,704)
Impairment charge	-	-	(1,353,626)	-	(1,353,626)
Closing Net book amount	101,836,565	15,354,000	27,116,693	14,277,801	158,585,059
As at 31 December 2020					
Cost	115,930,000	17,060,000	53,256,894	14,277,801	200,524,695
<u>Less</u> Accumulated amortisation	(14,093,435)	(1,706,000)	(17,295,503)	-	(33,094,938)
<u>Less</u> Allowance for impairment	-	-	(8,844,698)	-	(8,844,698)
Net book amount	101,836,565	15,354,000	27,116,693	14,277,801	158,585,059
For the year ended 31 December 2021					
Opening net book amount	101,836,565	15,354,000	27,116,693	14,277,801	158,585,059
Addition	-	-	4,505,113	22,901,947	27,407,060
Transfer in (out)	-	-	22,205,426	(22,205,426)	-
Write-off, net	-	-	(162,241)	-	(162,241)
Amortisation charge	(5,794,790)	(1,706,000)	(4,667,226)	-	(12,168,016)
Closing Net book amount	96,041,775	13,648,000	48,997,765	14,974,322	173,661,862
As at 31 December 2021					
Cost	115,930,000	17,060,000	79,805,192	14,974,322	227,769,514
<u>Less</u> Accumulated amortisation	(19,888,225)	(3,412,000)	(21,962,729)	-	(45,262,954)
<u>Less</u> Allowance for impairment	-	-	(8,844,698)	-	(8,844,698)
Net book amount	96,041,775	13,648,000	48,997,765	14,974,322	173,661,862

	Separate financial statements			
	Tradenames Baht	Computer software Baht	Computer software during installation Baht	Total Baht
As at 1 January 2020				
Cost	50,000,000	24,708,852	3,586,202	78,295,054
<u>Less</u> Accumulated amortisation	(5,000,000)	(12,057,808)	-	(17,057,808)
Net book amount	45,000,000	12,651,044	3,586,202	61,237,246
For the year ended 31 December 2020				
Opening net book amount	45,000,000	12,651,044	3,586,202	61,237,246
Additions	-	613,500	21,324,831	21,938,331
Transfer in (out)	-	10,753,184	(10,753,184)	-
Amortisation charge	(2,500,435)	(2,415,169)	-	(4,915,604)
Closing net book amount	42,499,565	21,602,559	14,157,849	78,259,973
As at 31 December 2020				
Cost	50,000,000	36,075,536	14,157,849	100,233,385
<u>Less</u> Accumulated amortisation	(7,500,435)	(14,472,977)	-	(21,973,412)
Net book amount	42,499,565	21,602,559	14,157,849	78,259,973
For the year ended 31 December 2021				
Opening net book amount	42,499,565	21,602,559	14,157,849	78,259,973
Additions	-	4,142,140	21,551,947	25,694,087
Transfer in (out)	-	22,205,426	(22,205,426)	-
Write-off, net	-	(162,241)	-	(162,241)
Amortisation charge	(2,498,290)	(4,077,977)	-	(6,576,267)
Closing net book amount	40,001,275	43,709,907	13,504,370	97,215,552
As at 31 December 2021				
Cost	50,000,000	62,260,861	13,504,370	125,765,231
<u>Less</u> Accumulated amortisation	(9,998,725)	(18,550,954)	-	(28,549,679)
Net book amount	40,001,275	43,709,907	13,504,370	97,215,552

Amortisation recognised in profit and loss that are related to intangible assets are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Selling expense	3,379,516	3,440,017	3,379,516	3,440,017
Administrative expense	8,788,500	6,937,687	3,196,751	1,475,587

The key assumptions used for value-in-use calculations are as follows:

	Tradename from purchase of business	Tradename from Investments in Thunder FinFin Company Limited
Gross margin ¹	13%	14%
Growth rate ²	7%	7%
Discount rate ³	14%	14%

¹ Budgeted gross margin.

² Weighted average growth rate used to extrapolate cash flows beyond the budget period.

³ Post-tax discount rate applied to the cash flow projections.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

21 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Deferred tax assets	125,057,910	88,612,051	109,153,120	85,742,342
Deferred tax liabilities	(17,316,957)	(17,817,115)	(3,379,257)	(2,878,915)
Deferred tax, net	107,740,953	70,794,936	105,773,863	82,863,427

The movement in deferred tax assets is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
As at 1 January	70,794,936	61,549,938	82,863,427	68,868,803
Increase in profit or loss (Note 29)	36,946,017	11,211,888	22,910,436	12,161,848
Increase in other comprehensive income (expense)	-	1,951,785	-	1,832,776
Adjustment of fair value of assets from investments in an indirect subsidiary	-	(3,412,000)	-	-
Sales of a subsidiary	-	(506,675)	-	-
As at 31 December	107,740,953	70,794,936	105,773,863	82,863,427

The movements in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements				
	1 January 2021 Baht	Recognised in revenue (expense) in profit or loss Baht	Recognised in revenue (expense) in other comprehensive income (expense) Baht		31 December 2021 Baht
Deferred tax assets					
Allowance for impairment of trade receivables	2,325,838	14,076,180	-		16,402,018
Allowance for obsolete and slow-moving inventories and for inventories cost in excess of net realisable value	29,323,603	1,965,213	-		31,288,816
Employee benefit obligations	16,168,768	2,780,224	-		18,948,992
Difference between accounting base and tax base from low-valued assets	4,602,828	695,935	-		5,298,763
Accrued expenses	33,250,151	7,730,494	-		40,980,645
Taxable losses carried forward	703,909	(703,909)	-		-
Unrealised gain on sale of inventories in the group	950,828	552,913	-		1,503,741
Others	1,286,126	9,348,809	-		10,634,935
	88,612,051	36,445,859	-		125,057,910
Deferred tax liabilities					
Difference between accounting base and tax base from businesses combination	(17,521,446)	500,158	-		(17,021,288)
Others	(295,669)	-	-		(295,669)
	(17,817,115)	500,158	-		(17,316,957)
Deferred tax assets (liabilities), net	70,794,936	36,946,017	-		107,740,953

	Consolidated financial statements				
	1 January 2020 Baht	Recognised in revenue (expense) in profit or loss Baht	Recognised in revenue (expense) in other comprehensive income (expense) Baht	Increase (Decrease) from business combination Baht	31 December 2020 Baht
Deferred tax assets					
Allowance for impairment of trade receivables	2,466,407	(140,569)	-	-	2,325,838
Allowance for obsolete and slow-moving inventories and for inventories cost in excess of net realisable value	30,992,847	(1,669,244)	-	-	29,323,603
Employee benefit obligations	12,678,407	1,931,746	1,951,785	(393,170)	16,168,768
Difference between accounting base and tax base from low-valued assets	4,587,750	21,678	-	(6,600)	4,602,828
Accrued expenses	21,098,188	12,258,868	-	(106,905)	33,250,151
Taxable losses carried forward	703,909	-	-	-	703,909
Unrealised gain on sale of inventories in the group	1,019,550	(68,722)	-	-	950,828
Others	2,741,915	(1,455,789)	-	-	1,286,126
	76,288,973	10,877,968	1,951,785	(506,675)	88,612,051
Deferred tax liabilities					
Difference between accounting base and tax base from businesses combination	(14,443,366)	333,920	-	(3,412,000)	(17,521,446)
Others	(295,669)	-	-	-	(295,669)
	(14,739,035)	333,920	-	(3,412,000)	(17,817,115)
Deferred tax assets (liabilities), net	61,549,938	11,211,888	1,951,785	(3,918,675)	70,794,936

	Separate financial statements			
	1 January 2021 Baht	Recognised in revenue (expense) in profit or loss Baht	Recognised in revenue (expense) in other comprehensive income (expense) Baht	31 December 2021 Baht
Deferred tax assets				
Allowance for impairment of trade receivables	2,099,658	6,332,641	-	8,432,299
Allowance for obsolete and slow-moving inventories and for inventories cost in excess of net realisable value	29,059,505	1,475,951	-	30,535,456
Employee benefit obligations	15,260,671	2,464,110	-	17,724,781
Difference between accounting base and tax base from low-valued assets	4,550,255	706,797	-	5,257,052
Accrued expenses	30,879,978	6,749,491	-	37,629,469
Others	3,892,275	5,681,788	-	9,574,063
	85,742,342	23,410,778	-	109,153,120
Deferred tax liabilities				
Difference between accounting base and tax base from businesses combination	(2,583,246)	(500,342)	-	(3,083,588)
Others	(295,669)	-	-	(295,669)
	(2,878,915)	(500,342)	-	(3,379,257)
Deferred tax assets (liabilities), net	82,863,427	22,910,436	-	105,773,863

	Separate financial statements			
	1 January 2020 Baht	Recognised in revenue (expense) in profit or loss Baht	Recognised in revenue (expense) in other comprehensive income (expense) Baht	31 December 2020 Baht
Deferred tax assets				
Allowance for impairment of trade receivables	2,411,433	(311,775)	-	2,099,658
Allowance for obsolete and slow-moving inventories and for inventories cost in excess of net realisable value	30,992,847	(1,933,342)	-	29,059,505
Employee benefit obligations	11,789,200	1,638,695	1,832,776	15,260,671
Difference between accounting base and tax base from low-valued assets	4,517,418	32,837	-	4,550,255
Accrued expenses	19,367,357	11,512,621	-	30,879,978
Others	2,002,883	1,889,392	-	3,892,275
	71,081,138	12,828,428	1,832,776	85,742,342
Deferred tax liabilities				
Difference between accounting base and tax base from businesses combination	(1,916,666)	(666,580)	-	(2,583,246)
Others	(295,669)	-	-	(295,669)
	(2,212,335)	(666,580)	-	(2,878,915)
Deferred tax assets (liabilities), net	68,868,803	12,161,848	1,832,776	82,863,427

Deferred income tax assets are recognised for tax loss and carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group does not recognise deferred tax asset of Baht 2,532,674 (2020: Baht 79,276) from tax losses of Baht 12,663,370 (2020: Baht 396,380), to carry forward against future taxable income; these tax losses of Baht 28,246,691 will expire in 2024 - 2026, respectively (2020: Baht 69,205,459 will expire in 2021 - 2025, respectively).

22 Borrowings

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Current				
Bank overdrafts	26,422,390	36,475,198	-	-
Short-term loans from financial institutions	3,774,568,435	1,246,034,449	3,754,095,570	1,219,568,773
Current portion of long-term borrowings				
- Lease liabilities	524,664,097	498,115,529	518,734,640	492,600,864
Borrowing from related party (Note 32)	-	-	325,000,000	338,000,000
Total current borrowings	4,325,654,922	1,780,625,176	4,597,830,210	2,050,169,637
Non-current				
Lease liabilities	677,402,910	707,633,378	674,547,786	704,805,488
Total non-current borrowings	677,402,910	707,633,378	674,547,786	704,805,488
Total borrowings	5,003,057,832	2,488,258,554	5,272,377,996	2,754,975,125

The borrowings include secured liabilities (lease liabilities) in a total amount of Baht 2,729,908 (2020 : Baht 5,227,189). Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

As at 31 December 2021, short-term borrowings from financial institutions of the Company, amounting to Baht 3,774.57 million (2020 : Baht 1,246.03 million) bare interest rate at 0.79% - 3.50% per annum (2020 : interest rate at 0.90% - 2.50% per annum). The Company's short-term borrowings from financial institutions were free for guarantee (2020 : free for guarantee).

The Company has to comply with the conditions in the credit facility agreements such as to maintain the financial ratios. As at 31 December 2021, the Group has complied with covenants throughout the reporting period.

The fair values of short-term borrowings equal their carrying amount, as the impact of discounting is not significant.

23 Trade and other payable

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade payable - other companies	4,107,023,277	1,707,380,955	3,904,644,694	1,581,988,557
- subsidiaries (Note 32)	-	-	77,833,649	102,700,113
- other related parties (Note 32)	20,330	-	20,330	-
Other payables- other companies	278,877,193	125,825,693	270,522,104	122,401,430
- subsidiaries (Note 32)	-	-	231,540	771,542
- other related parties (Note 32)	86,000	111,970	86,000	103,800
- directors and related parties (Note 32)	83,550	22,456	-	-
Deposit received in advance	110,199,611	51,369,759	108,194,890	47,741,220
Accrued expense	609,501,508	579,629,340	342,476,447	304,788,172
Total	5,105,791,469	2,464,340,173	4,704,009,654	2,160,494,834

24 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Statement of financial position:				
Retirement benefits	102,722,318	88,602,555	88,623,904	76,303,353
Liability in the statement of financial position	102,722,318	88,602,555	88,623,904	76,303,353
Profit or loss charge included in operating profit for:				
Retirement benefits	14,119,763	8,805,374	12,320,551	8,193,473
Remeasurement for: Retirement benefits	-	9,758,925	-	9,163,881

Retirement benefits

The plans are final salary retirement plans. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The movement in the defined benefit obligation over the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
As at 1 January	88,602,555	63,896,338	76,303,353	58,945,999
Increase from investments in an indirect subsidiary	-	8,763,050	-	-
Sales of a subsidiary	-	(2,621,132)	-	-
Benefit payment	(237,946)	-	(237,946)	-
Current service cost	12,704,721	7,066,079	11,115,320	6,636,881
Interest expense	1,652,988	1,739,295	1,443,177	1,556,592
	102,722,318	78,843,630	88,623,904	67,139,472
Remeasurements:				
(Gain)/loss from change in demographic assumptions	-	44,510	-	44,510
Loss from change in financial assumptions	-	15,585,720	-	14,773,666
Experience (Gain)/Loss	-	(5,871,305)	-	(5,654,295)
	-	9,758,925	-	9,163,881
As at 31 December	102,722,318	88,602,555	88,623,904	76,303,353

The significant actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Discount rate	1.60 - 2.13%	1.60 - 2.13%	1.82%	1.82%
Salary growth rate	5.00 - 6.00%	5.00 - 6.00%	6.00%	6.00%

Sensitivity analysis for each significant assumption used is as follows:

	Consolidated financial statements					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2021	2020	2021	2020	2021	2020
Discount rate	1%	1%	Decrease by 9.65%	Decrease by 13.92%	Increase by 21.78%	Increase by 16.95%
Salary growth rate	1%	1%	Increase by 20.78%	Increase by 15.58%	Decrease by 10.36%	Decrease by 13.13%

	Separate financial statements					
	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	2021	2020	2021	2020	2021	2020
Discount rate	1%	1%	Decrease by 10.24%	Decrease by 14.02%	Increase by 20.53%	Increase by 17.09%
Salary growth rate	1%	1%	Increase by 20.21%	Increase by 15.65%	Decrease by 11.00%	Decrease by 13.17%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation is 16.38 - 26.57 years (2020 : 16.38 - 26.57 years).

Expected maturity analysis of undiscounted retirement and post-employment medical benefits are as follows:

	Consolidated financial statements				
	Less than 1 year Baht	Between 1 - 2 years Baht	Between 2 - 5 years Baht	Over 5 years Baht	Total Baht
As at 31 December 2021					
Retirement benefits	700,802	88,584	2,259,476	118,238,259	121,287,122
Total	700,802	88,584	2,259,476	118,238,259	121,287,122
As at 31 December 2020					
Retirement benefits	979,152	700,803	1,498,864	119,087,455	122,266,274
Total	979,152	700,803	1,498,864	119,087,455	122,266,274

	Separate financial statements				
	Less than 1 year Baht	Between 1 - 2 years Baht	Between 2 - 5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2021					
Retirement benefits	62,665	88,584	2,259,476	102,864,074	105,274,800
Total	62,665	88,584	2,259,476	102,864,074	105,274,800
At 31 December 2020					
Retirement benefits	979,152	62,666	1,498,864	103,713,270	106,253,952
Total	979,152	62,666	1,498,864	103,713,270	106,253,952

25 Share capital and premium on share capital

	Number of Shares Shares	Ordinary Shares Baht	Share Premium Baht	Total Baht
At 1 January 2020	1,200,000,000	300,000,000	898,760,685	1,198,760,685
Issue of shares	-	-	-	-
At 31 December 2020	1,200,000,000	300,000,000	898,760,685	1,198,760,685
Issue of shares	-	-	-	-
At 31 December 2021	1,200,000,000	300,000,000	898,760,685	1,198,760,685

The total number of authorised ordinary shares is 1,200,000,000 shares (2020 : 1,200,000,000 shares) with a par value of Baht 0.25 per share (2020: Baht 0.25 per share). All issued shares are fully paid

26 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
At 1 January	30,000,000	30,000,000	30,000,000	30,000,000
Appropriation during the year	-	-	-	-
At 31 December	30,000,000	30,000,000	30,000,000	30,000,000

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. This reserve is not available for dividend distribution.

27 Finance costs

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Bank borrowings	24,510,458	31,478,374	21,245,372	29,442,426
Loan from subsidiaries	-	-	1,676,826	3,420,447
Loan from a director	-	57,967	-	-
Interest and finance charges paid for lease liabilities	23,374,782	21,610,755	23,175,234	20,918,174
Total finance costs	47,885,240	53,147,096	46,097,432	53,781,047

28 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Rental expenses	694,259,830	589,683,311	668,976,265	575,410,575
Staff costs	1,297,603,318	1,084,946,055	1,353,317,147	1,078,625,868
Depreciation and amortisation	777,325,973	630,028,362	763,783,030	621,074,349
Facilities and utilities expenses	145,547,956	114,884,550	143,440,375	117,077,808
Marketing expenses	194,368,750	122,025,916	194,113,450	121,734,783
Credit card fee	321,842,184	227,350,591	320,173,624	226,275,105
Transportation charges	88,355,016	56,974,441	86,651,465	55,383,637
Service fee	54,660,776	42,296,115	50,093,709	37,738,390

29 Income tax expense

Income tax expense for the year comprises the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Current tax:				
Current tax on profits for the year	591,656,876	337,993,008	531,733,557	299,576,814
Adjustments in respect of prior year	-	1,456,393	-	1,456,393
Total current tax	591,656,876	339,449,401	531,733,557	301,033,207
Deferred tax:				
Decrease (increase) in deferred tax assets (Note 21)	(36,445,859)	(10,877,968)	(23,410,778)	(12,828,428)
(Decrease) increase in deferred tax liabilities (Note 21)	(500,158)	(333,920)	500,342	666,580
Total deferred tax	(36,946,017)	(11,211,888)	(22,910,436)	(12,161,848)
Income tax expense	554,710,859	328,237,513	508,823,121	288,871,359
Income tax expense attributable to:				
Profit from continuing operation	554,710,859	328,237,513	508,823,121	288,871,359
Profit from discontinued operation	-	-	-	-
	554,710,859	328,237,513	508,823,121	288,871,359

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Profit before tax	3,183,194,613	1,823,093,560	2,868,219,533	1,695,887,189
Tax calculated at a tax rate of 20% (2020 : 20%)	636,638,923	364,618,712	573,643,907	339,177,438
Tax effect of:				
Income not subject to tax	(47,672,688)	(28,766,146)	(43,997,320)	(43,759,862)
Expenses not deductible for tax purpose	3,975,993	7,329,513	1,723,618	6,191,973
Double tax expense deductible	(27,695,709)	(15,088,059)	(22,682,228)	(14,799,643)
Utilisation of previously unrecognised tax losses	(13,346,163)	(1,568,872)	-	-
Temporary difference for which no deferred tax asset was recognised	1,443,102	601,493	1,472,840	903,162
Tax losses for which no deferred tax asset was recognised	2,532,674	79,276	-	-
Adjustment in respect of prior year	-	1,402,277	-	1,456,392
Other	(1,165,273)	(370,681)	(1,337,696)	(298,101)
Tax charge	554,710,859	328,237,513	508,823,121	288,871,359

30 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of paid-up ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit for the year attributable to owners of the parent (Baht)	2,630,392,186	1,490,681,664	2,359,396,412	1,407,015,830
Weighted average number of shares (share)	300,000,000	300,000,000	300,000,000	300,000,000
Basic earnings (loss) per share (Baht)	2.19	1.24	1.97	1.17

There are no potential dilutive ordinary shares in issue for the years ended 31 December 2021.

31 Dividends per share

At the meeting on 22 April 2021, the Shareholders have been approved a dividend in respect of 2020 of Baht 1 per share (2020 : Baht 0.80 per share) amounting to a total of Baht 1,200,000,000 (2020 : Baht 960,000,000).

32 Related party transactions

Mr. Sura Khanittaweekul who is the Chief Executive Officer of the Company has the ultimate controlling in the Company who hold 25.05% (2020: 25.05%) interest in the Company's share capital. The remaining 74.95% (2020: 74.95%) of the shares is widely held.

Relationships with key management and other related parties were as follows:

Related company name	Relationship
Adept Company Limited (formerly : Banana Group Company Limited)	Subsidiary
Novus Integration Company Limited	Subsidiary
Double7 Company Limited	Subsidiary
See Know How Company Limited.	Subsidiary
Thunfer Finfin Company Limited	Indirect subsidiary
Prime Solution and Services Company Limited	Indirect subsidiary
Lorthong Company Limited	Indirect subsidiary
Next Capital Public Company Limited	Associate
Double Value Company Limited	The Company's director is co-director
Inter Vision Business Group Company Limited	The Company's director is co-director
Yoga Matters Company Limited	The Company's director is co-director
Organic Zone Company Limited	The Company's director is co-director
L&T Corporation Company Limited	The Company's director is co-director
L&T Asset Company Limited	The Company's director is co-director
Bakery Treasury Company Limited	The Company's director is co-director
King Yummy Company Limited	The Company's director is co-director
F&B Commercial Company Limited	The Company's director is co-director
Brax & Ben Company Limited	The Company's director is co-director
7 AM Company Limited	The Company's director is shareholder

a) Transactions with related parties

Transactions with related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Sales of goods and services				
Subsidiaries	-	-	13,692,702	22,495,382
Associate	6,604,036	1,141,000	6,604,036	1,141,000
Other related parties	383,037	299,980	383,037	228,780
Director and related parties	1,169,064	211,374	1,169,064	211,374
Purchases of goods and services				
Subsidiaries	-	-	2,242,980,413	488,715,970
Other related parties	2,400,000	-	2,400,000	-
Management fee income				
Subsidiaries	-	-	4,028,856	3,477,305
Other related parties	33,645	-	33,645	-
Interest income				
Subsidiaries	-	-	3,671,890	1,454,852
Associate	991,233	235,329	991,233	235,329
Other related parties	221,636	-	-	-
Dividend income				
Subsidiary	-	-	219,986,800	149,991,000
Associate and Joint venture	-	68,808,312	-	68,808,312
Other income				
Subsidiaries	-	-	3,474,000	765,647
Other related parties	792,000	812,000	792,000	812,000
Director and related parties	-	16,108	-	16,108
Interest expense				
Subsidiary	-	-	1,676,826	3,420,447
Other related parties	7,882,002	9,498,855	7,882,002	9,498,855
Director and related parties	-	54,846	-	-

b) Outstanding balances arising from sales and purchases of goods and services

The outstanding balances at the end of the period ended in relation to transactions with related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade receivables				
Subsidiaries	-	-	242,274,506	28,132,432
Associate	-	258,940	-	258,940
Other related parties	153,294	41,449	153,294	41,449
Finance lease receivables				
Subsidiary	-	-	12,857,964	19,363,126
Other receivables				
Subsidiaries	-	-	15,261,721	28,986,359
Other related parties	2,280,275	2,773,926	92,281	585,932
Other receivable - interest receivables				
Subsidiaries	-	-	940,603	-
Associate	44,384	-	44,384	-
Other related parties	243,452	-	-	-
Rebate receivables				
Subsidiaries	-	-	14,381,124	11,114,896
Trade payables				
Subsidiaries	-	-	77,833,649	102,700,113
Other related parties	20,330	-	20,330	-
Other payables				
Subsidiaries	-	-	231,540	771,542
Other related parties	86,000	111,970	86,000	103,800
Director and related parties	83,550	22,456	-	-
Lease liabilities				
Other related parties	349,870,035	406,302,064	349,870,035	406,302,064
Interest payable				
Subsidiaries	-	-	572,267	1,141,356

c) Other assets

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Other assets				
Other related parties	34,535,352	33,935,352	34,535,352	33,935,352
Total	34,535,352	33,935,352	34,535,352	33,935,352

d) Loans to related parties

Short-term loans to subsidiaries

The movements of loan to subsidiaries can be analysed are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Subsidiary				
At 1 January	-	-	-	125,000,000
Addition during the year	-	-	2,880,000,000	155,000,000
Repayment during the year	-	-	(1,980,000,000)	(280,000,000)
At 31 December	-	-	900,000,000	-

The loans to a subsidiary were made on commercial terms and conditions. The loans bear interest at the rate of 1.32% - 1.37% per annum. No allowance has been required in 2021 and 2020 for the loans made to a subsidiary.

Loans are current portion. The fair value is equal to the book value since the effect of the discount rate is insignificant.

Short-term loans to associate and director

The movements of loan to associate and director can be analysed are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Other related parties				
At 1 January	6,416,304	50,000,000	-	50,000,000
Additions from investments in an indirect subsidiary	-	6,416,304	-	-
Addition during the year	300,000,000	-	300,000,000	-
Repayment during the year	(100,000)	(50,000,000)	-	(50,000,000)
At 31 December	306,316,304	6,416,304	300,000,000	-

The loans to associate and director were made on commercial terms and conditions. The loans bear interest at the rate of 2.70% per annum without collateral and are due at call.

Loans are current portion. The fair value is equal to the book value since the effect of the discount rate is insignificant.

e) Borrowings from related parties

Short-term borrowings from subsidiaries

The movements of borrowings from a subsidiary can be analysed are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Subsidiaries				
At 1 January	-	-	338,000,000	210,000,000
Borrowings received during the period	-	-	430,000,000	408,000,000
Borrowings repaid during the period	-	-	(443,000,000)	(280,000,000)
At 31 December	-	-	325,000,000	338,000,000

The borrowings from subsidiaries was made on commercial terms and conditions and carry interest at 0.65% per annum without collateral and are due at call.

Borrowings are current portion. The fair value is equal to the book value since the effect of the discount rate is insignificant.

f) **Key management compensation**

Key management includes directors (executive and non-executive), members of the executive committee. The compensation paid or payable to key management are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Salaries and other short-term employee benefits	59,115,881	55,408,745	59,115,881	53,439,625
Post-employment benefits	2,142,122	1,488,726	2,142,122	1,420,930
Total	61,258,003	56,897,471	61,258,003	54,860,555

g) **Commitments and contingencies**

The Company has provided a guarantee for credit facility to Prime Solution and Services Company Limited in amount of Baht 513 million (2020: 698 million).

The Company has provided a guarantee for credit facility to Next Capital Public Company Limited (in amount of Baht 530 million (2020: Baht 1,680 million)).

33 **Commitments**a) **Capital expenditure commitments**

Capital expenditure contracted as at the statement of financial position date but not recognised as liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Buildings and equipment	36,156,700	2,970,679	36,156,700	2,970,679
Furniture and office equipment	904,632	764,182	904,632	764,182
Intangible assets	8,404,059	4,987,983	4,654,058	4,987,983
Total	45,465,391	8,722,844	41,715,390	8,722,844

b) **Service contracts**

The Group has service contracts various retail outlets and warehouses. The agreement expiring within 1 to 28 years.

Commitments for minimum services payments in relation to non-cancellable contracts are payable as follows:

	Consolidated financial statements	Separate financial statements
	2021 Baht	2021 Baht
Within 1 year	345,335,734	342,443,988
Later than 1 year but not later than 5 years	286,786,907	285,281,907
Later than 5 years	17,647,440	17,647,440
Total	649,770,081	645,373,335

c) Commitments under agreement

As at 31 December 2021, the Group has commitments as follows:

- Consulting agreement with other persons and companies in the amount of Baht 0.08 million per month (2020 : Baht 0.04 million).
- Service agreement with other companies in the rate of Baht 1.17 million per month (2020 : Baht 1.01 million).
- Maintenance contract for computer software with other company in the rate of Baht 0.38 million per month (2020 : Baht 0.39 million).

34 Events occurring after the reporting period

- On 25 February 2022, the Board of Directors of the Company passed a resolution to propose the dividend payment from the operating results of the year 2021. The dividend payment with ordinary shares at the rate of Baht 0.25 per share in the ratio of 1 ordinary share for 1 dividend share and dividend payment in cash at the rate Baht 1 per share, totalling Baht 1,200 million. However, the approval for the dividend payment shall be proposed to the Annual general Shareholder's Meeting for the year 2022 for further consideration and approval.
- At the Board of Directors Meeting No.1/2022 on 25 February 2022 of Com7 Public Company Limited passed the resolution to establish a newly Company. The total registered capital is 500,000 ordinary shares with a par value of Baht 100 per shares. The total authorised capital is Baht 50 million, Com7 Public Company Limited shareholding is 99.99%.
- In January 2022, Lorthong Co., Ltd, subsidiary of the Company, decrease of the registered capital from Baht 12.5 million to Baht 5 million by decreasing 75,000 ordinary shares at a par value of Baht 100 per share, totaling Baht 7.5 million.

Certification of the Accuracy of Information



The Company has carefully reviewed the information in this Annual Registration Statement / Annual Report and certifies that such information is accurate, complete, contains no false or misleading statements, or no omission of any material facts that should have been stated therein. In addition, the Company hereby certifies that:

- (1) The financial statements and financial information that are summarized in the Annual Registration Statement / Annual Report contain accurate and complete information about the financial position, performance, and cash flow of the Company and its subsidiaries.
- (2) The Company has set up a suitable disclosure system to ensure that the material information of both the Company and its subsidiaries are disclosed accurately and completely, including supervising to have compliance with the said system.
- (3) The Company has established a proper internal control system and supervises the implementation of the said system. The Company has already provided the latest assessment information of the internal control system to the auditor and the Audit Committee February 25, 2022 which covers deficiencies and significant changes to the internal control system, including any wrong actions that may affect the financial report of the Company and its subsidiaries.

As evidence that all documents are the same documents certified by the Company, the Company has assigned Ms. Sasipa Sawangsawai to sign this document on every page. If any pages do not contain Ms. Sasipa Sawangsawat's signature, it will not be considered that the Company has certified the accuracy as mentioned above.

Name	Position	Signature
1. Mr. Siripong Sombatsiri	Chairman and Independent Director
2. Mr. Sura Khanittaweekul	Vice Chairman
3. Mr. Kritchawat Voravanich	Director
4. Ms. Aree Preechanukul	Director
5. Mr. Kongsak Bannasathitgul	Director
6. Mr. Kashpol Chulajata	Independent Director
7. Mr. Somboon Aueatchasai	Independent Director

Name	Position	Signature
The Authorized Person, Ms. Sasipa Sawangsawai	Company Secretary



BOARD OF DIRECTORS

1. Mr. Siripong Sombatsiri

- Chairman of the Board
- Chairman of the Audit Committee
- Independent Director

2. Dr. Somboon Aueatchasai

- The Audit Committee
- Independent Director
- Chairman of the Corporate Governance Committee

3. Mr. Kashpol Chulajata

- The Audit Committee
- Independent Director
- Chairman of the Nomination and Remuneration Committee
- The Corporate Governance Committee

4. Mr. Sura Khanittaweekul

- Vice Chairman
- Chairman of the Management Board
- Chief Executive Officer

5. Mr. Kritchawat Voravanich

- Director
- Assistant Chief Executive Officer
- Chairman of the Risk Management Committee
- Executive Director

6. Ms. Aree Preechanukul

- Director
- The Nomination and Remuneration Committee
- Chief Operating Officer, Management Division
- Executive Director
- The Risk Management Committee

7. Mr. Kongsak Bannasathitgul

- Director
- The Nomination and Remuneration Committee
- Chief Operating Officer, Corporate Innovation Division
- The Risk Management Committee



EXECUTIVE DIRECTORS



1. Mr. Sura Khanittaweekul

- Vice Chairman
- Chairman of the Management Board
- Chief Executive Officer

2. Mr. Kritchawat Voravanich

- Director
- Assistant Chief Executive Officer
- Chairman of the Risk Management Committee
- Executive Director

3. Ms. Aree Preechanukul

- Director
- The Nomination and Remuneration Committee
- Chief Operating Officer, Management Division
- Executive Director
- The Risk Management Committee

4. Mr. Kongsak Bannasathitgul

- Director
- The Nomination and Remuneration Committee
- Chief Operating Officer, Corporate Innovation Division
- The Risk Management Committee

5. Ms. Natthanan Keeratikornyotsanan

- COO, Marketing Communications and Product Management
- The Risk Management Committee
- Executive Director

6. Mrs. Wassana Pongsangluk

- Chief Financial Officer
- The Risk Management Committee
- Executive Director
- The Corporate Governance Committee

7. Mr. Phakphum Satarat

- Chief Operating Officer, Branch Operations Division
- Executive Director

8. Mr. Narong Sriwannawit

- Chief Operating Officer, Retail Business
- Executive Director





Mr. Siripong Sombatsiri

Date of Holding the Position

10 February 2014

Age 67



Position

- Chairman of the Board
- Chairman of the Audit Committee
- Independent Director

Shareholding (%)

-None-

Family Relationship between Directors and Executives

-None-

The Highest Educational Qualification

- Master's Business Administration Sul Ross University, USA
- Bachelor's Bachelor of Accountancy Chulalongkorn University

Training Courses of Thai Institute of Directors Association (IOD)

- Directors Accreditation Program (DAP 2/2003)
- Ethical Leadership Program (ELP 1/2015)

Work Experience in the Last 5 Years

2014 - Present	Chairman of the Board and Chairman of the Audit Committee Com7 Public Company Limited
2013 - Present	Director and Chairman of the Audit Committee Pan Asia Footwear Public Company Limited
2004 - Present	Director Infinite Electric (Thailand) Company Limited
2002 - Present	Director and the Audit Committee Bangkok Chain Hospital Public Company Limited
2011 - Present	Director and Executive Director AP (Thailand) Public Co., Ltd and affiliates

Illegal Records in the Past 10 Years

-None-

Dr. Somboon Aueatchasai

Date of Holding the Position

12 November 2020

Age 51

Position

- The Audit Committee
- Independent Director
- Chairman of the Corporate Governance Committee

Shareholding (%)

-None-

Family Relationship between Directors and Executives

-None-

The Highest Educational Qualification

- Ph.D. Industrial Business Administration (Ph.D.)
King Mongkut's Institute of Technology Ladkrabang
- Master's Management Accounting Thammasat University
- Bachelor's Bachelor of Accountancy Rajamangala
University of Technology

Training Courses of Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 139/2011)
- Directors Accreditation Program (DAP 84/2010)

- Advanced Audit Committee Program (AACP 42/2021)

Work Experience in the Last 5 Years

2020 - Present	Audit Committee and Independent Director Com7 Public Company Limited
2021 - Present	Chief Executive Officer Gunkul Engineering Public Company Limited
2010 - Present	- Director and Executive Director - Company Secretary Gunkul Engineering Public Company Limited

Illegal Records in the Past 10 Years

-None-





Mr. Kashpol Chulajata

Date of Holding the Position

16 October 2014

Age 53

Training Courses of Thai Institute of Directors Association (IOD)

- Directors Accreditation Program (DAP 116/2015)

Work Experience in the Last 5 Years

- | | |
|----------------|--|
| 1997 - Present | - Audit Committee and Independent Director
- Chairman of the Nomination and Remuneration Committee
Com7 Public Company Limited |
| 2015 - 2020 | - Deputy Director - Rules and Regulations Monitoring
Thanachart Bank Public Company Limited |
| 2010 - 2015 | Company Secretary
Allianz Ayudhya Life Insurance PCL. |

Illegal Records in the Past 10 Years

-None-

Position

- The Audit Committee
- Independent Director
- Chairman of the Nomination and Remuneration Committee
- The Corporate Governance Committee

Shareholding (%)

-None-

Family Relationship between Directors and Executives

-None-

The Highest Educational Qualification

- Master's Business Administration
California State University, Bakersfield, USA
- Bachelor's Finance Assumption University

Mr. Sura Khanittaweekul

Date of Holding the Position

1 January 1997

Age 53

Position

- Vice Chairman
- Chairman of the Management Board
- Chief Executive Officer

Shareholding (%)

25.05%

Family Relationship between Directors and Executives

Younger Brother Ms.Natthanan Keeratikornyotsanan

The Highest Educational Qualification

- Master's Business Administration Indiana University, USA
- Bachelor's Business Administration Assumption University

Training Courses of Thai Institute of Directors Association (IOD)

- Directors Certification Program (DCP 176/2013)
- Directors Accreditation Program (DAP 103/2014)

Work Experience in the Last 5 Years

1997 - Present	- Vice Chairman
	- Chairman of the Management Board
	- Chief Executive Officer
	Com7 Public Company Limited
2019 - Present	The Nomination and Remuneration Committee
	Next capital Plc.
2016 - Present	Director Bakery treasury Co.,Ltd.

Illegal Records in the Past 10 Years

-None-





Mr. Kritchawat Voravanich

Date of Holding the Position

1 January 2002

Age 54



Position

- Director
- Assistant Chief Executive Officer
- Chairman of the Risk Management Committee
- Executive Director

Shareholding (%)

1.07%

Family Relationship between Directors and Executives

-None-

The Highest Educational Qualification

- Bachelor's Marketing Assumption University

การผ่านหลักสูตรอบรมของสมาคมส่งเสริมสถาบัน กรรมการบริษัทไทย (IOD)

- Directors Certification Program (DCP 181/2013)
- Directors Accreditation Program (DAP 104/2013)

Work Experience in the Last 5 Years

2002 - Present - Director
 - Assistant Chief Executive Officer
 - Chairman of the Risk Management Committee
 - Executive Director
 Com7 Public Company Limited

Illegal Records in the Past 10 Years

-None-

Ms. Aree Preechanukul

Date of Holding the Position

1 November 2003

Age 54

Position

- Director
- The Nomination and Remuneration Committee
- Chief Operating Officer, Management Division
- Executive Director
- The Risk Management Committee

Shareholding (%)

3.38%

Family Relationship between Directors and Executives

-None-

The Highest Educational Qualification

- Bachelor's Law Ramkhamhaeng university

Training Courses of Thai Institute of Directors Association (IOD)

- Directors Accreditation Program
(DAP 113/2014)



Work Experience in the Last 5 Years

- | | |
|----------------|--|
| 2003 - Present | - Director |
| | - The Nomination and Remuneration Committee |
| | - Chief Operating Officer, Management Division |
| | - Executive Director |
| | - The Risk Management Committee |
| | Com7 Public Company Limited |
| 2016 - Present | Director Bakery treasury Co.,Ltd. |

Illegal Records in the Past 10 Years

-None-



Mr. Kongsak Bannasathitgul

Date of Holding the Position

1 July 2013

Age 52



Position

- Director
- The Nomination and Remuneration Committee
- Chief Operating Officer, Corporate Innovation Division
- The Risk Management Committee

Shareholding (%)

0.03%

Family Relationship between Directors and Executives

-None-

The Highest Educational Qualification

- Master's Master of Business Administration
Chulalongkorn University
- Bachelor's Education, English Payap University

Training Courses of Thai Institute of Directors Association (IOD)

- Directors Accreditation Program
(DAP 112/2014)

Work Experience in the Last 5 Years

- 2013 - Present
- Director
 - The Nomination and Remuneration Committee
 - Chief Operating Officer, Corporate Innovation Division
 - The Risk Management Committee
- Com7 Public Company Limited
- 2016 - Present
- Director Double7 Company Limited

Illegal Records in the Past 10 Years

-None-

Ms.Natthanan Keeratikornyotsanan

Date of Holding the Position

2 April 2010

Age 54

Position

- COO, Marketing Communications and Product Management
- The Risk Management Committee
- Executive Director

Shareholding (%)

0.54%

Family Relationship between Directors and Executives

Elder Sister Mr. Sura Khanittaweekul

The Highest Educational Qualification

- Master's Business Administration Sasin Graduate Institute of Business Administration Chulalongkorn University
- Bachelor's Communication Arts Chulalongkorn University

Training Courses of Thai Institute of Directors Association (IOD)

- Directors Accreditation Program (DAP 181/2021)

Work Experience in the Last 5 Years

- | | |
|----------------|--|
| 2010 - Present | - COO, Marketing Communications and Product Management |
| | - The Risk Management Committee |
| | - Executive Director |
| | Com7 Public Company Limited |

Illegal Records in the Past 10 Years

-None-





Mrs. Wassana Pongsangluk

Date of Holding the Position

16 June 2014

Age 52



Position

- Chief Financial Officer
- The Risk Management Committee
- Executive Director
- The Corporate Governance Committee

Shareholding (%)

-None-

Family Relationship between Directors and Executives

-None-

The Highest Educational Qualification

- Master's Business Administration
University of Wales in Cardiff, UK
- Bachelor's Business Administration
Assumption University

Training Courses of Thai Institute of Directors Association (IOD)

- Directors Accreditation Program
(DAP 164/2019)

Work Experience in the Last 5 Years

2014 - Present	- Chief Financial Officer
	- The Risk Management Committee
	- Executive Director
	Com7 Public Company Limited
2020 - Present	Director See know how Co.,Ltd.
2019 - Present	Director Next capital Plc.

Illegal Records in the Past 10 Years

-None-

Mr. Phakphum Satarat

Date of Holding the Position

11 July 2018

Age 53

Position

- Chief Operating Officer, Branch Operations Division
- Executive Director

Shareholding (%)

-None-

Family Relationship between Directors and Executives

-None-

The Highest Educational Qualification

- Master's Business Administration
Assumption University
- Bachelor's Computer Engineering
King Mongkut's Institute of Technology Ladkrabang

Training Courses of Thai Institute of Directors Association (IOD)

- Directors Accreditation Program
(DAP 181/2021)



Work Experience in the Last 5 Years

- | | |
|----------------|--|
| 2018 - Present | - Chief Operating Officer,
Branch Operations Division |
| | - Executive Director
Com7 Public Company Limited |
| 2020 - Present | Director See know how Co.,Ltd. |
| 2000 - 2018 | Retail Channel Manager
Apple South Asia (Thailand) Co.,Ltd. |

Illegal Records in the Past 10 Years

-None-



Mr. Narong Sriwannawit

Date of Holding the Position

1 February 2020

Age 37



Position

- Chief Operating Officer, Retail Business
- Executive Director

Shareholding (%)

-None-

Family Relationship between Directors and Executives

-None-

The Highest Educational Qualification

- Master's Business Administration
Oregon State University
- Bachelor's Business Administration
Thammasat University

Training Courses of Thai Institute of Directors Association (IOD)

- Directors Accreditation Program
(DAP 181/2021)

Work Experience in the Last 5 Years

2020 - Present	- Chief Operating Officer, Sales & Retail Business
	- Executive Director Com7 Public Company Limited
2017 - 2020	Retail Director Com7 Public Company Limited
2015-2017	Unit Manager, Banana Business Com7 Public Company Limited

Illegal Records in the Past 10 Years

-None-

Ms. Sasipa Sawangsawai

Date of Holding the Position

28 November 2014

Age 36

Position

- Company Secretary
- Investor Relations

Shareholding (%)

-None-

Family Relationship between Directors and Executives

-None-

The Highest Educational Qualification

- Master's Business Administration
Mahanakorn University of Technology
- Bachelor's Computer Engineering
Mahanakorn University of Technology

Training Courses of Thai Institute of Directors Association (IOD)

- Company Secretary Program
(CSP 63/2015)
- Financial Statements for Directors
(FSD 42/2020)

Work Experience in the Last 5 Years

2014 - Present Company Secretary
Com7 Public Company Limited

Illegal Records in the Past 10 Years

-None-

Information on the Position of the Company's Executives in its Subsidiaries, Associated Companies, and Related Companies

X = Chairman of the Board / = Company Director O = Chairman of the Audit Committee V = Audit Committee /// = Executive Director Y = chairman of the Nomination Committee Z = Nomination Committee

Status	Company	Mr. Shipong Sombatsiri	Dr. Somboon Aueatchasai	Mr. Kashpol Chulajata	Mr. Sura Khanittaweekul	Mr. Kritchawat Voravanich	Ms. Aree Preechanukul	Mr. Kongsak Bannasathikul	Ms.Nathanan Keenatkornyolsaran	Mrs. Wassana Pongsangluk	Mr. Phakphum Satarat	Mr. Narong Sriwamawit
1 Company	Com7 Public Company Limited	X, O	/, V	/, V, Y	/, //, ///	/, //, ///	/, //, ///, Z	/, //, ///, Z	//, ///	//, ///	//, ///	//, ///
2 Associated Company	Next Capital Public Company Limited									/	/	
3 Subsidiary	Adept Company Limited				/	/	/	/		/		
4 Subsidiary	Double Seven Company Limited				/		/	/		/		
5 Subsidiary	Lor Thong Company Limited				/		/			/		
6 Subsidiary	Novus Integration Company Limited				/					/		
7 Subsidiary	Prime Solution & Services Company Limited				/		/			/		
8 Subsidiary	See Know How Company Limited				/		/	/		/		
9 Subsidiary	Thunder FinFin Company Limited				/Z					/		
10 Related Company	AP (Thailand) Public Company Limited	/										
11 Related Company	AP ME11 Company Limited		/									
12 Related Company	Asian Property (2017) Company Limited		/									
13 Related Company	Asian Property (2018) Company Limited		/									
14 Related Company	Asian Property (Bangkok) Company Limited		/									
15 Related Company	Asian Property Company Limited		/									
16 Related Company	Bakery Treasury Company Limited		/									
17 Related Company	Bangkok Chain Hospital Public Company Limited		/									
18 Related Company	Bangkok CitiSmart Company Limited		/									

Status	Company	Mr. Siripong Sombatsiri	Dr. Somboon Aueatchasai	Mr. Keshpol Chulajata	Mr. Sura Khanittaweekul	Mr. Kritchawat Voravanch	Ms. Aree Preechanukul	Mr. Kongsak Bannasathitgul	Ms. Natthanan Keeratkornyotsanan	Mrs. Wassana Pongsangluk	Mr. Phakphum Satarat	Mr. Narong Sriwamawit
19 Related Company	Boko & Brother Frog Company Limited		/									
20 Related Company	Brox & Ben Company Limited		/									
21 Related Company	Choyo JV Asset Management Company Limited		/									
22 Related Company	Double Value Company Limited		/									
23 Related Company	Eco Thalenergy Company Limited		/									
24 Related Company	Future Electrical Control Company Limited		/									
25 Related Company	G.K. Bio Extraction Company Limited		/									
26 Related Company	G.K. Hemp Group Company Limited		/									
27 Related Company	G.K. Real Estate (2564) Company Limited		/, /, /, /, /									
28 Related Company	G.K. Smart Farming Company Limited								/			
29 Related Company	Get Wellness Company Limited				/		/					
30 Related Company	GO Bioenergy Company Limited		/									
31 Related Company	Gunkul Energy Solution and Lighting Company Limited		/									
32 Related Company	Gunkul Engineering Public Company Limited		/									
33 Related Company	Gunkul Grand Asset Company Limited		/									
34 Related Company	Gunkul Infinite Group Company Limited		/									
35 Related Company	Gunkul Power Development Company Limited		/									
36 Related Company	Gunkul Solar Community Company Limited		/									
37 Related Company	Gunkul Solar Roof 1 Company Limited	/										
38 Related Company	Gunkul Training Center Company Limited		/									

Status	Company	Mr. Siripong Sombatsiri	Dr. Somboon Aueachasai	Mr. Kashpol Chulajata	Mr. Sura Khanitaweekul	Mr. Kritchawat Voravanich	Ms. Aree Preechanukul	Mr. Kongsak Bannasathitgul	Ms. Natharan Keeratkornyotsanan	Mrs. Wassana Pongsangluk	Mr. Phakphum Satarat	Mr. Narong Sriwamawit
39 Related Company	Gunkul Wind Power 1 Company Limited				/	/	/					
40 Related Company	Gunkul Wind Power 2 Company Limited	/										
41 Related Company	Gunkul Wind Power 3 Company Limited									/		
42 Related Company	Gunkul Wind Power 4 Company Limited	/										
43 Related Company	Gunkul Wind Power 5 Company Limited		/									
44 Related Company	Gunkul Wind Power 6 Company Limited	/										
45 Related Company	Gunkul Wind Power 7 Company Limited		/									
46 Related Company	Gunkul Wind Power 8 Company Limited									/		
47 Related Company	Gunkul Wind Power 9 Company Limited									/		
48 Related Company	Infinite Alternative Energy Company Limited	/										
49 Related Company	Infinite Technology Corporation Company Limited				/		/					
50 Related Company	Inter Vision Business Groups Company Limited				/							
51 Related Company	K.N.P. Supply Company Limited				/							
52 Related Company	King Yummy Company Limited		/									
53 Related Company	Korat Wind Energy Company Limited		/									
54 Related Company	L&T Asset Company Limited	/										
55 Related Company	L&T Corporation Company Limited		/									
56 Related Company	Mattimus Company Limited				/							
57 Related Company	Next Money Company Limited		/									
58 Related Company	NK Powersola Company Limited			/								
59 Related Company	Organic Zone Company Limited				/							

Status	Company	Mr. Siripong Sombatsiri	Dr. Somboon Aueatchasai	Mr. Kashpol Chulajata	Mr. Sura Khanitaweekul	Mr. Kritchawat Voravanch	Ms. Aree Preechanukul	Mr. Kongsak Bannasathitgul	Ms. Natthanan Keeratkornyotsanan	Mrs. Wassana Pongsangluk	Mr. Phakphum Satarat	Mr. Narong Sriwamawit
60 Related Company	Origin Gunkul Energy Company Limited		/									
61 Related Company	Pan Asia Footwear Public Company Limited				/		/					
62 Related Company	PCL Holding Company Limited	/										
63 Related Company	Rang Ngern Solution Company Limited		/									
64 Related Company	Samma Company Limited		/									
65 Related Company	SEASIA Leadovation Center Company	/										
66 Related Company	Signature Advisory Partners Company Limited	/										
67 Related Company	Solar Energy Society Company Limited	/										
68 Related Company	SQE Construction Company Limited	/										
69 Related Company	Thai Big Belly Company Limited		/									
70 Related Company	Thaislick Herb Company Limited	/, //										
71 Related Company	Thaweechai Wassana Dee Company Limited	/										
72 Related Company	THCG Group Company Limited	/										
73 Related Company	The Value Property Company Development Co., Ltd.	/										
74 Related Company	Thonglor Residence Company Limited				/							
75 Related Company	Wind Energy Development Company Limited				/							
Total		17	36	2	17	2	10	4	2	11	2	1
Listed company		4	2	1	2	1	1	1	1	2	1	1
Company Limited		13	34	1	15	1	9	3	1	9	1	-

Details Regarding The Internal Audit Manager

Name	Age	Educational Qualification	Share-holding (%)	Family Relationship between Directors and Executives	Training Courses of Thai Institute of Directors Association (IOD)	Work Experience in the Last 5 Years			
						Period	Position	Company	Nature of Business
Ms. Piyaorn Bandasak	42	Master of Science, Internal Auditing, UTCC	-None-	-None-	<ul style="list-style-type: none"> Sharing and Discussion : SET, IIA Anti-Corruption the Practical Guide (ACFG) 30/2016 Prepared Course for Certified Internal Auditor (Pre - CIA) 21/2012 CPIAT 36/2012 Effective Minutes Taking (EMD) 18/2010 Company Secretary Program (CSP) 38/2010 	2016 - Present	Internal Audit Manager	Com7 Public Company Limited	Distribution of IT products, laptop, desktop computer, mobile phones, tablets, and related accessories, including service & repair, and payment service for the mobile phone bill and others.



Operating Assets

As of December 31, 2021, the Company and its subsidiaries had main assets used in their business operations as follows:

Property, Plant and Equipment

All property, plant, and equipment belong to the Company and its subsidiaries with details as follows:

Property List	Cost Price* (MB)	Accumulated Depreciation and Impairment Allowance (MB)	Net Worth (MB)
1. Land	0.34	-	0.34
2. Building Improvement	978.45	(622.04)	356.41
3. Furniture and Office Equipment	659.77	(427.54)	232.23
4. Equipment for Rental	1.96	(0.66)	1.30
5. Vehicle	3.91	(3.67)	0.24
6. Construction in Progress	24.40	-	24.40
Total	1,688.83	(1,053.91)	614.92

* Total purchased during the year

Right-of-Use Assets

Property List	Building (MB)	Equipment (MB)	Vehicle (MB)	Total (MB)
Balance brought forward as of January 1, 2021	1,241.02	23.19	1.00	1,265.21
Increase during the year	525.80	1.47	1.62	525.95
Write-off Assets - Net	(11.93)	-	(0.36)	(12.29)
Depreciation and Other Improvements	(582.23)	(9.76)	(0.54)	(592.53)
Net book value as of December 31, 2021	1,172.66	11.96	1.72	1,186.34

Trademark

As of December 31, 2021, the Company and its subsidiaries own 37 trademarks as follows:

No.	Trademark	Registration No. / (Application No.)	Registration Date	Details	Protection Period
1		Bor 44275	15 Aug 2008	Computer, equipment, and electrical appliances distribution	15 Aug 2018 - 14 Aug 2028
2		Bor 46438	15 Aug 2008	Computer, equipment, and electrical appliances distribution	15 Aug 2018 - 14 Aug 2028
3		Bor 53539	4 Nov 2010	Computer, equipment, and electrical appliances distribution	4 Nov 2010 - 3 Nov 2020
4		Bor 53538	4 Nov 2010	Computer, equipment, and electrical appliances distribution	4 Nov 2010 - 3 Nov 2020
5		Bor 61458	6 May 2011	Computer, equipment, and electrical appliances distribution	6 May 2011 - 5 May 2021
6		Bor 57771	4 Jan 2012	Computer, equipment, and electrical appliances distribution	4 Jan 2012 - 3 Jan 2022
7		Bor 67010	27 Sep 2013	Computer, equipment, and electrical appliances distribution	27 Sep 2013 - 26 Nov 2023
8		Bor 66813	28 Jan 2014	Computer, equipment, and electrical appliances distribution	28 Jan 2014 - 27 Jan 2024
9		Bor 66814	28 Jan 2014	Computer, equipment, and electrical appliances distribution	28 Jan 2014 - 27 Jan 2024
10		Bor 69975	28 Jan 2014	Mobile phones, equipment, and electrical appliances distribution	28 Jan 2014 - 27 Jan 2024
11		171103101	21 Oct 2014	Mobile phone accessories distribution	21 Oct 2014 - 20 Oct 2024

No.	Trademark	Registration No. / (Application No.)	Registration Date	Details	Protection Period
12		171100045	28 Jan 2015	Mobile phones, equipment, and electrical appliances distribution	28 Jan 2015 - 27 Jan 2025
13		171100046	28 Jan 2015	Mobile phones, equipment, and electrical appliances distribution	28 Jan 2015 - 27 Jan 2025
14		161103090	13 Feb 2015	Mobile phones, equipment, and electrical appliances distribution	13 Feb 2015 - 12 Feb 2025
15		181116009	3 Mar 2016	Computer, equipment, and electrical appliances distribution	3 Mar 2016 - 2 Mar 2026
16		181120769	4 Apr 2016	Computer, equipment, and electrical appliances distribution	4 Apr 2016 - 3 Apr 2026
17		211113409	4 Apr 2016	Computer, equipment, and electrical appliances distribution	4 Apr 2016 - 3 Apr 2026
18		211113407	4 Apr 2016	Computer, equipment, and electrical appliances distribution	4 Apr 2016 - 3 Apr 2026
19		181119404	27 Dec 2017	Computer, equipment, and electrical appliances distribution	27 Dec 2017 - 26 Dec 2027
20		191112282	24 Jun 2016	Computer, equipment, and electrical appliances distribution	24 Jun 2016 - 23 Jun 2026
21		201100787	25 Oct 2017	Computer software distribution and software consultation	25 Oct 2017 - 24 Oct 2027
22		191112283	7 Feb 2018	Cameras and accessories distribution	7 Feb 2018 - 6 Feb 2028

No.	Trademark	Registration No. / (Application No.)	Registration Date	Details	Protection Period
23		201105716	2 Mar 2018	Mobile phones and equipment distribution	2 Mar 2018 - 1 Apr 2028
24		191117829	5 Apr 2018	Computer, equipment, and electrical appliances distribution	5 Apr 2018 - 4 Apr 2028
25		211117113	8 Nov 2019	Mobile phones and equipment distribution	8 Nov 2019 - 7 Nov 2029
26		191113359	12 Feb 2018	Telecommunication equipment distribution	12 Feb 2018 - 11 Feb 2028
27		201119641	14 Mar 2019	Computer, equipment, and electrical appliances distribution	14 Mar 2019 - 13 Mar 2029
28		211104671	8 Aug 2019	Computer equipment distribution	8 Aug 2019 - 7 Aug 2029
29		211105131	8 Aug 2019	Computer equipment distribution	8 Aug 2019 - 7 Aug 2029
30		211104672	8 Aug 2019	Computer equipment distribution	8 Aug 2019 - 7 Aug 2029
31		211104673	8 Aug 2019	Mobile phones and equipment distribution	8 Aug 2019 - 7 Aug 2029
32		211104674	8 Aug 2019	Electronic equipment distribution	8 Aug 2019 - 7 Aug 2029
33		211104675	8 Aug 2019	Computer, equipment, and electrical appliances distribution	8 Aug 2019 - 7 Aug 2029

No.	Trademark	Registration No. / (Application No.)	Registration Date	Details	Protection Period
34	 BaNANA	211100804	28 Nov 2019	Computers and equipment distribution	28 Nov 2019 - 27 Nov 2029
35	 BaNANA MOBILE	211121667	25 Mar 2021	Mobile phones and equipment distribution	25 Mar 2020 - 24 Mar 2030
36	 BaNANA	211116813	25 Mar 2021	Computers and equipment distribution	25 Mar 2020 - 24 Mar 2030
37	 BaNANA OUTLET	211121641	25 Mar 2021	Computers and equipment distribution	25 Mar 2020 - 24 Mar 2030

* The certificate of trademark registration can be renewed for 10 years each time.

Intangible Assets

As of December 31, 2021, the Company had intangible assets. The net value was the trade name of 96.04 million baht, computer software 63.97 million baht, and customer relationship 13.65 million baht, respectively.

Investments in Subsidiaries and Joint Ventures

The Company had investments in subsidiaries and joint ventures as of December 31, 2021 as follows:

No.	Company	Business Type	Investment (Baht)	Ratio (%)
1	Adept Co., Ltd	E - Commerce	745,200,380	99.99
2	Thunder FinFin Co., Ltd	Operate business retail of mobile phones and peripherals.	659,999,720	99.99
3	See Know How Co., Ltd	Operate business as a learning center and training.	4,999,700	99.99
4	Novus Integration Co., Ltd	Operate business planning services and distribute IT products, system installation, network systems, programs, services, and business solutions.	248,834,966	99.99
5	Double 7 Co., Ltd	Management representative of TRUE Shop	4,999,700	99.99
6	Next Capital Public Co., Ltd	Operate a leasing business motorcycle hire purchase.	593,575,203	33.93
7	Prime Solution and Services Co., Ltd	Operate business of selling and installing all kinds of computer systems and programs.	9,223,965	48.98
8	Lorthong Co., Ltd	Operate business of selling and leasing motorcycles.	12,114,903	99.99

Investment in subsidiary – Adept Company Limited (formerly Banana Group Company Limited)

Com7 Public Company Limited holds 199,998 shares in Banana Group Company Limited, which is 99.99% of its shares. It was implementing the Board of Directors Meeting No. 10/2015 on November 10, 2015.

On October 5, 2018, the change of the Company's directors was registered by Mrs. Wassana Pongsangluk became to replace Mr. Wuttichai Nakvichien.

In 2021, Banana Group Co., Ltd. increased its registered capital 3 times, totaling 280 million baht. At present, the Company has a registered capital of 300 million baht, with Com7 Public Company Limited holding 99.99% of the shares.

On June 7, 2021, the Company's objectives were added to the registration of purchasing non-performing debts for management.

On September 16, 2021, Banana Group Co., Ltd. registered additional objectives related to selling or being a distributor of various IT products, including weighing scales, vacuum cleaners, air purifiers, and peripheral equipment.

On September 22, 2021, Banana Group Company Limited registered the new company name change to "Adept Company Limited."

On December 8, 2021, Adept Company Limited registered an increase of the Company's capital by 450,000,000 baht from the original registered capital of 300,000,000 baht, increased to 750,000,000 baht.

Investment in Banana Group's subsidiary – Thunder FinFin Co., Ltd

On December 25, 2018, Banana Group Co., Ltd. acquired 1,149,448 shares of DNA Retail-Link Co., Ltd., representing 99.99% of registered capital 209,999,720 baht to expand the business of communication equipment distribution.

On June 15, 2021, DNA Retail-Link Co., Ltd., in which Banana Group Co., Ltd. holds a 99.99% stake, registered to change its name to Thunder FinFin Co., Ltd.

On June 7, 2021, the Company's objectives were added to the registration in purchasing non-performing debts for management and following up on debt collection.

On December 13, 2021, Thunder FinFin Co., Ltd. registered an increase in the Company's capital by 450,000,000 baht from the original registered capital of 150,000,000 baht, increased to 600,000,000 baht.

Investment in Novus Integration's subsidiary– Prime Solution and Services Co., Ltd

On December 18, 2019, Banana Group Co., Ltd bought 1 share of Prime Solution and Services Co., Ltd to expand the business of selling and installing all kinds of computer systems and programs and the plan to invest in the acquisition of shares in the capital increase of the said company in 2021.

On January 13, 2021, Banana Group Co., Ltd acquired 192,000 shares of Prime Solution & Services Co., Ltd. After purchasing the capital increase shares, there is a 48.97% shareholding to expand the business of selling and installing all kinds of computer systems and programs.

On July 14, 2021, Novus Integration Co., Ltd. acquired 192,001 shares of Prime Solution and Services Co., Ltd., which Banana Group Co., Ltd. held, totaling 192,001 shares, representing a shareholding of 48.98%.

Investment in subsidiary – Novus Integration Co., Ltd

On April 5, 2016, the Company established Banana Sure Co., Ltd with registered capital of 60,000,000 baht (600,000 ordinary shares, par value of 100 baht), with the Company holding 51.00% of the shares in Banana Sure Co., Ltd. The Company paid for such shares in the amount of 30,600,000 baht on April 1, 2016.

On November 5, 2016, the Board of Directors passed a resolution approving the Company to invest in Banana Sure Co., Ltd., a subsidiary company, by purchasing ordinary shares from the existing shareholders at 94.64 baht per share at the agreed price. The total amount of the shares paid by the Company was 27,824,144 baht. Non-controlling interests compensated accumulated losses in Banana Sure Co., Ltd. for 27,621,572 baht. After purchasing the said shares, the Company's shareholding has increased from 51.00% to 99.99%.

On August 28, 2017, the Board of Directors Meeting of Banana Sure Co., Ltd. passed a resolution to change the company name to Novus Integration Co., Ltd. The company registered the name change with the Ministry of Commerce on September 21, 2017.

The Extraordinary General Meeting of Shareholders No. 1/2017 of Novus Integration Company Limited on 19 September 2017, passed a resolution to decrease the registered capital of the company from 60,000,000 baht to 15,000,000 baht by reducing 450,000 ordinary shares at the par value of 100 baht in the amount of 45,000,000 baht to clear the accumulated loss and return the capital to the shareholders. The company registered a capital reduction with the Ministry of Commerce on October 25, 2017, by paying back to Com7 Public Company Limited in the amount of 39,533,951 baht. The company still holds 99.99% of the same shares.

On May 18, 2018, Com7 Public Company Limited sold its shares in Novus Integration Co., Ltd. to Mr. Ekaraj Panjavinin 30,000 shares and Mr. Suradech Sroirungruang 14,999 shares. Therefore, Com7 Public Company Limited holds shares Novus Integration 69.99% of the total shares.

On December 20, 2019, Com7 Public Company Limited bought all 30,000 shares of Mr. Ekaraj Panjavinin held in Novus Integration Company Limited due to he resigned from being a director and 1 share from Mr. Suradech Sroirungruang. At present, Com7 Public Company Limited holds shares of Novus Integration of 90% of total shares.

On January 7, 2020, Novus Integration Company Limited registered to increase the objective of the company by adding a business to be a consultant, provide advice on information technology, systems, construction, planning, design, construction of buildings, and installation of structures and related equipment, including utilities to be consistent and comprehensive with the current business operations of the company.

On June 7, 2021, the Company's objectives were added to the registration in purchasing non-performing debts for management and following up on debt collection.

On July 14, 2021, Novus Integration Co., Ltd registered an increase of the Company's capital by 235,000,000 baht from the original registered capital of 15 million baht, increased to 250,000,000 baht, and acquired shares of Lorthong Co., Ltd that Double7 Co., Ltd., holding 374,999 shares, representing a 75% stake.

On July 14, 2021, Novus Integration Co., Ltd. acquired 192,001 shares of Prime Solution and Services Co., Ltd., which Banana Group Co., Ltd. held, totaling 192,001 shares, accounting for 48.98% shareholding.

On October 28, 2021, Novus Integration Co., Ltd bought all the shares of Lorthong Co., Ltd from all shareholders. Due to being unable to operate the business as desired and preparing to reduce the Company's capital of Novus Integration Co., Ltd, thus, holding 99.99% of the shares.

Investment in subsidiary – Double 7 Co., Ltd

On June 7, 2016, the Company registered Double Seven Company Limited with a registered capital of 5,000,000 baht (50,000 ordinary shares at a par value of 100 baht), where the Company holds 99.99% of the shares. The Company paid for all such shares on June 1, 2016.

On June 7, 2021, the Company's objectives were added to the registration in purchasing non-performing debts for management and following up on debt collection.

Investment in Novus Integration's subsidiary – Lorthong Co., Ltd

On June 4, 2021, a subsidiary was established under the name Lorthong Co., Ltd. to operate a motorcycle distribution business with a registered capital of 50,000,000 baht, divided into 500,000 shares with a par value of 100 baht per share. Double Seven Company Limited holds 75% of the shares.

On July 14, 2021, Novus Integration Co., Ltd acquired 374,999 shares of Lorthong Co., Ltd., which Double Seven Co., Ltd holds, representing a 74.99% shareholding.

On October 28, 2021, Novus Integration Co., Ltd bought all the shares of Lorthong Co., Ltd. from all shareholders. Due to being unable to operate the business as desired and preparing to reduce the Company's capital of Novus Integration Co., Ltd, thus, holding 99.99% of the shares.

On November 12, 2021, Lorthong Co., Ltd. had a special resolution from the shareholders to reduce the Company's capital from the original registered capital of 50,000,000 baht, reduced to 12,500,000 baht. Besides, they registered a special resolution to reduce the capital on the same day and announced the capital reduction in the local newspaper in case of objection by creditors.

On December 13, 2021 Lorthong Co., Ltd. registered a reduction of the Company's capital of 37,500,000 baht from the original registered capital of 50,000,000 baht, reduced to 12,500,000 baht.

Joint Investment – Next Capital Public Co., Ltd, formerly BAF (Thailand) Co., Ltd

On 25 May 2017, the Company entered into a Share Subscription Agreement to purchase ordinary shares of BAF (Thailand) Co., Ltd., which operates a leasing business motorcycle hire purchase in Thailand for 120,660 shares or 30% of the shares, totaling 268,206,600 baht.

On January 30, 2018, Com7 Public Company Limited sold 10,055 shares in BAF (Thailand) Company Limited to Mr. Prapan Polthanawasit. At present, Com7 Public Company Limited holds 27.50% of BAF shares.

On March 26, 2019, Com7 Public Company Limited acquired 3,750,037 shares of BAF (Thailand) Company Limited from other shareholders at 32.6664 baht per share, totaling 122,500,209 baht. At present, Com7 Public Company Limited holds 40.00% of the BAF shares.

At the end of 2019, BAF (Thailand) Co., Ltd. changed its name to Next Capital Co., Ltd. and later transformed to Public Company Limited.

On November 4, 2021, Com7 Public Company Limited received an allocation of newly issued ordinary shares of Next Capital Public Company Limited in an initial public offering of the newly issued ordinary shares. After offering shares to the public, Com7's shareholding in Next Capital PCL shall be 305,375,740 shares, representing 33.93% of the total shares.

The Essence of the Contract

Leases

The Company has entered into an area lease agreement and service agreement within the shopping center to operate BaNANA, Studio7, BaNANA Mobile, Samsung Shop, iCare, BKK, SHOTPRO, OPPO, VIVO, HUAWEI, Kingkong, TRUEShop, E-Quip, Xiaomi, Bb, and renting space in various universities to operate U Store shops. As of December 31, 2021, the Company had a total of 979 branches. Most of the lease and service agreements for units are short-term agreements. The essence of both contracts can be summarized as follows:

- Rental area and its location, purpose of rent, the scope of services
- Rental and Service rates, Payment due of Rental/Service fees, Payment of relevant taxes and duties
- The term of the contract is 1-3 years, and for the renewal of the contract, the lessee must notify the lessor in writing of the intention to renew in advance before the expiration of the contract.
- Rental Deposit / Service Deposit shall be returned without interest at the end of the contract period, and there are no outstanding debts.
- Sublease/sub-service or the transfer of rights under the contract cannot be done unless written consent from the lessor/service provider under specific conditions in each contract.
- Termination of the rental/service contract, the lessee/lessor has the right to terminate the contract if the other party has breached the contract's terms.

Studio7 Franchise Agreement

The Company has entered into franchise agreements with most of its partners. The agreements are valid for five years. The Company allows its partners to operate Studio7 by Comseven stores as Franchisee. As of December 31, 2021, the Company had 7 Studio7 stores operated by Franchisee. The essence of the contract is as follows:

- Location and size of the branch area
- Shop management system
- Franchise Fees
- Revenue share that partners will receive from sales of products

Business partners shall invest in decorating the storefront and bringing the Company's products selling in the consignment form. The Company shall own the products until the partners can sell them out of the store. The Company shall share revenue sharing with partners in proportion to their sales each month as agreed in the contract. However, the storefront decoration, product placement, including in-store product management system, partners are required to comply with all rules and regulations set by the Company.

Banana Shopping Franchise Agreement

The Company has entered into franchise agreements with most of its partners. The agreements are valid for three years. The Company allows its partners to operate Banana Shopping stores as Franchisee. As of December 31, 2021, the Company had 122 BananaShopping stores operated by Franchisee. The essence of the contract is as follows:

- Location and size of the branch area
- Shop management system
- Franchise Fees
- Revenue share that partners will receive from sales of products

Business partners shall invest in decorating the storefront and bringing the Company's products selling in the consignment form. The Company shall own the products until the partners can sell them out of the store. The Company shall share revenue sharing with partners in proportion to their sales each month as agreed in the contract. However, the storefront decoration, product placement, including in-store product management system, partners are required to comply with all rules and regulations set by the Company.

Bank Loan Agreement

The Company has entered into loan agreements with financial institutions since 2014 for short-term working capital, guarantee contract performance, purchase of goods, and manage foreign exchange risk. Currently, there is a credit limit consisting of:

- Short-term credit limit totaling 7,844,000,000 baht
- Letter of guarantee limit amount totaling 2,274,000,000 baht
- Forward contract totaling 237,000,000 baht and USD 14,400,000

The Company has entered into loan agreements with each Thai financial institutions and foreign financial institutions located in Thailand in a total of 11 financial institutions, namely (1) Krung Thai Bank (2) Kasikorn Bank (3) Bangkok Bank (4) Siam Commercial Bank (5) Bank of Ayudhya (6) Citibank (7) TMB Bank (8) ICBC (Thai) (9) UOB (10) CIMB Thai and (11) Sumitomo Mitsui Banking Corp., Bangkok Branch.

The said agreement stipulates a significant financial agreement, i.e., maintaining a net interest-bearing debt to equity ratio (Gearing Ratio) of the Company not exceeding 2.5 times throughout the contract period by considering the audited annual financial statements. Interest-bearing debt consists of debt owed with financial institutions, factoring, and hire purchase debt. As for equity, Intangible Assets are excluded.

Authorized Premium Reseller Agreement

Date of Contract	23 December 2014
Parties	Com7 Public Company Limited and Apple South Asia (Thailand) Limited ("Apple")
Objective	The Company is officially appointed by receiving the right to open a storefront to sell various products of Apple brands such as "Studio7, iStudio" stores in Thailand
Essence	<ul style="list-style-type: none"> • The Company has been granted the right to be a reseller of Apple products. • The rights are granted in the local area only in Thailand and in the authorized location only. • Store decoration and product placement must be as specified by Apple.
Contract period	Until the contract is terminated

Apple Authorized Reseller Agreement

Date of Contract	23 December 2014
Parties	Com7 Public Company Limited and Apple South Asia (Thailand) Limited("Apple")
Objective	The Company is officially appointed by having the right to be a reseller of the Apple brand products. The Company can carry Apple-branded products selling at all types of stores of the Company as appropriate.
Essence	<ul style="list-style-type: none"> • The Company has been granted the right to be a reseller of Apple-branded products.
Contract period	Until the contract is terminated

Apple Authorized Service Provider Agreement

Date of Contract	23 December 2014
Parties	Com7 Public Company Limited and Apple South Asia (Thailand) Limited
Objective	The Company is officially appointed as a service provider on Apple's hardware and software products only within Thailand.
Essence	<ul style="list-style-type: none"> The Company has been granted the right to be a service provider of Apple products and can sell service products under the "Apple Care Service." The rights are granted in the local area only in Thailand and in the authorized location only (Authorized Service Location).
Contract period	Until the contract is terminated

Undertaking Agreement

Date of Contract	26 June 2015
Parties	Com7 Public Company Limited ("the Company") with Mr. Sura Kanittaweekul ("Mr. Sura") and the list of major shareholders of the Company, specified as of February 1, 2014 ("Group of Shareholders").
Objective	Due to some commercial banks have a condition in granting loans that Mr. Sura and the group of shareholders must maintain their shareholding proportion of at least 50%, with Mr. Sura holding a position as the Company's executive. Mr. Sura and the group of shareholders, therefore, entered into an undertaking agreement with the Company.
Essence	<ul style="list-style-type: none"> Mr. Sura and the group of shareholders certify that they shall maintain the percentage of shareholding held in the Company not less than 50% in total throughout the contract period. Mr. Sura shall serve as an executive of the Company throughout the contract period.
Contract period	Since 26 June 2015 until such requirement is revoked or removed by all relevant commercial banks.

Corporate Governance Policy



Com7 Public Company Limited and its Subsidiaries



Rationale

The Board of Directors is committed to developing the organization for sustainable growth. Conduct business legally and adhere to the principles of morality and code of business conduct. Disclose information with transparency. Develop an internal control system, and provide a suitable and appropriate audit mechanism. Operate concerning the responsibility to shareholders and all stakeholders. The Board of Directors' structure and governing administrative mechanism demonstrate potential and responsibility in various matters, which align with the OECD's good standard framework (Organization for Economic Cooperating and Development) and ASEAN CG Scorecard.

The Board of Directors has set the "Corporate Governance Policy" to promote corporate governance principles by focusing on conducting business with transparency, morality, ethics, and honesty based on the written "Code of Conduct." It is disclosed on the Company's website under the Corporate Governance Policy section to be used as a best practice for directors, executives, and employees of the Company, subsidiaries, and all groups of stakeholders, which will lead to a truly sustainable organization. It covers the essential principles following the principles of good corporate governance.

Article 1: Right of Shareholders

The Company realizes the right of shareholders according to good practice for shareholders' meetings regarding (1) quality of meeting invitation (2) quality of meeting minutes (3) right of shareholders to get information of the Company accurately, completely, adequately, timely, and equitably to support decisions in all matters. There is a policy to facilitate and promote the attendance of shareholders' meetings along with the rights of other shareholders related, whether before the meeting date, on the meeting date, and after the meeting, as follows:

- 1.1 The Company shall send the meeting invitation letter together with sufficient information supporting the meeting according to the agendas to use in their consideration. It will be delivered in advance of the meeting date according to the time prescribed by relevant laws, announcements, or regulations to provide opportunities for shareholders to study the information thoroughly.
- 1.2 The Company adds a channel to receive shareholders' news through the Company's website by bringing details published on its website. Especially in an invitation letter to the shareholders' meeting to be published before the meeting in advance, the shareholders can wholly and quickly download the meeting agenda's information.
- 1.3 Suppose the shareholders are unable to attend the meeting in person. In that case, the Company shall provide opportunities for shareholders to authorize independent directors or any person who participated at the meeting on his behalf by using the proxy form sent by the Company together with the meeting invitation letter.
- 1.4 The Company facilitates all shareholders equally in meeting attendance in terms of location and the right time.
- 1.5 At the meeting date, the Company shall consider and vote according to the specified agendas, without changing important information or adding an unexpected meeting agenda. Also, allow shareholders to have equal rights in examining the Company's operations, making inquiries, expressing opinions and suggestions.
- 1.6 Encourage all directors and relevant executives to attend the meeting and answer shareholders' questions.
- 1.7 The Company records the minutes of the meeting with complete accuracy, speed, and transparency. Report important questions and opinions in the minutes of the meeting so that the shareholders can examine them. The Company shall also publish the minutes of the shareholders' meeting on the Company's website for shareholders to consider, including submitting the said minutes to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting.

Article 2: Equitable Treatment of Shareholders

The Company has the policy to treat all shareholders equally and fairly, whether the management shareholders and non-management shareholders, Thai shareholders or foreign shareholders, major shareholders or minor shareholders as follow:

- 2.1 The Company shall notify the shareholder's meeting schedule and related agendas to the Stock Exchange of Thailand. The meeting schedule will be published via the Company's website in advance of the meeting according to the period announced by law or related regulations. In addition, the meeting schedule will be disseminated via the Company's website before the meeting date. Besides, both Thai and English versions of the invitation letter will be prepared and published on the Company's website.
- 2.2 The Company shall facilitate the minor shareholders to nominate directors or propose additional agenda before the shareholders' meeting. The Company shall set clear rules in advance on methods for minor shareholders to nominate persons to serve as directors, as well as criteria for determining whether the Company will add agenda items proposed by the minority shareholders or not.

- 2.3 In conducting each shareholder meeting, the Company shall provide equal opportunities for all shareholders. Before starting the session, the Chairman will explain how to exercise voting rights and methods for counting the votes of shareholders who have to vote on each agenda item. It also provides opportunities for shareholders and proxies who attend the meeting to express their opinions, suggestions and ask questions in each agenda with a reasonable and sufficient time. The Chairman shall conduct the meeting according to the agenda specified. The management will not add agenda items that do not notify the shareholders unnecessarily, especially the important agenda that shareholders need time to study information before deciding.
- 2.4 The Company has assigned the directors to report their interests in any meeting agenda before considering any agenda related to the Board of Directors' meeting and record such interests in the board of directors' meeting minutes. Besides, the director who has a significant interest in such a way that he/she won't be able to express independent opinions on the relevant agenda is prohibited from participating in the meeting on that agenda.
- 2.5 The Company has established guidelines for the keeping and prevention of misuse of the Company's insider information. It is prohibited for individuals or entities that know insider information to disclose such information to other entities or other unrelated persons. Suppose any person discloses such information or uses it either for his/her benefit or for others or making transactions that may cause conflicts of interest. It is considered a severe offense and will face disciplinary action. The Company has assigned all directors and executives responsible for reporting on legal securities holding to account for submitting such reports to the Company Secretary regularly and disclosed in the Company's annual report.

Article 3: Role of Stakeholders

The Company recognizes all groups of stakeholders' rights, whether internal stakeholders, such as shareholders, employees, and external stakeholders, such as customers, business partners, creditors, competitors and other entities, including related nearby communities. The Company has received support from all groups of stakeholders in building competitiveness and generating profits for the Company, which is considered to create sustainable value for the Company. Therefore, these stakeholders should be taken care of under the rights they have following the relevant laws by setting the following policies.

3.1 Practices and Policies towards Shareholders

The Company permanently recognizes that its shareholders are the business owners, and the Company is responsible for creating added value for shareholders in the long term. Therefore, the directors, executives, and employees are required to comply with the following guidelines.

1. Perform duties with integrity and decide any action with caution, prudence, and fairness to both major and minor shareholders and the best interests of shareholders as a whole.
2. Provide the Company status reports, business results, financial position information, accounting, and other words wholly and regularly.
3. Do not seek the benefit of yourself and others using any company information that has not yet been disclosed or take any action in a manner that may cause a conflict of interest with the Company.

3.2 Practices and Policies towards Employees

The Company realizes that employees are the key success factor of achieving its goals of great value. There is a policy to treat all employees fairly and provide appropriate compensation and welfare to employees to comply with the said policy. The principles are as follows:

1. Provide fair compensation to employees and establish a provident fund for employees, including giving importance to their welfare.
2. Maintain a safe work environment for the life and property of employees.
3. Appointments, transfer, rewarding, and punishing employees must be acted with integrity and based on the employees' knowledge, capabilities, and suitability.
4. Give importance to developing employees' knowledge and competence by providing thorough and consistent opportunities to build their competence to achieve professional performance. The Company has set and planned employee training and development regularly and provides both internal and external training.
5. Listen to opinions and suggestions based on the professional knowledge of employees.
6. Comply with laws and regulations involving employees strictly.

3.3 Practices and Policies towards Business Partners

The Company wishes to provide products and services that meet standards and aims to develop and maintain lasting relationships with partners and contractual parties with a clear objective regarding the quality of goods and services appropriate for their monetary value, technical quality, and mutual trust. The Company has a policy for employees to treat all business partners with equality, fairness, honesty and not take advantage of partners. Take into account the Company's best interests based on obtaining fair returns for both parties. Avoid situations that cause conflicts of interest, including a process of procurement of goods and services. The guidelines are as follows:

1. The Company organizes competitions on the information received equally.
2. The Company has established criteria for evaluating and selecting business partners and contractual parties with fairness.
3. The Company prepares a form of contract with business partners appropriately and fairly.
4. The Company provides a management and monitoring system to ensure full compliance with the contract terms and prevent fraud and corruption in every step of the procurement process.
5. The Company pays its business partners and contractual parties on time according to the agreed payment terms.
6. Do not demand or receive or pay any benefits dishonest in business negotiations or trading dealings with partners and contractual parties.
7. If there is information that any dishonest benefit has been called or received or paid, must disclose details to business partners and contractual parties and mutually solve problems fairly and quickly.
8. Fulfill the contracts, trade terms, or conditions strictly agreed upon. If any conditions cannot be complied with, notify business partners and contractual parties in advance to jointly consider a solution to the problem.
9. The Company has established a procurement policy for clarity and fairness. Besides, it is reviewed for appropriateness according to the situation.

Selection of Business Partners

The Company has a policy to systematically and transparently select business partners following the rules and procedures of procurement. It is for the benefit of cost management operational efficiency and for continually doing business together, leading to progress and sustainable development. Therefore, the Company has established guidelines for consideration as follows:

1. Be a law-abiding partner, have social ethical standards, give importance, and consider human rights, society, and the environment.
2. Be a business partner with good business conditions, stable financial status, verifiable establishment, and reliable business history. Do not have any disgrace history due to illegal business operations, corrupt acts, or history of abandoning work or are on the list of prohibited companies of government and private sectors.
3. Have standardized products, and there are satisfactory results in terms of quality and price.
4. Be able to deliver goods and/or services consistently, timely, and respond flexibly to changes.

3.4 Practices and Policies towards Creditors

The Company has a policy for employees to treat creditors of all parties fairly, honestly, and without taking advantage. Take into account the best interests of the Company based on obtaining fair compensation from both parties. Avoid situations that create conflicts of interest with the following guidelines:

1. The Company complies with the terms of the guarantees made to the creditors and various conditions strictly agreed. If any conditions cannot be complied with, must notify creditors in advance to jointly consider a solution to the problem.
2. The Company shall control loans' repayment and interest to all types of loan creditors in full on time and comply with the terms of the loan agreement without using the loan in a way contrary to the purpose of borrowing.
3. The Company shall manage the capital to make creditors confident in the financial position and the ability to pay debts of the Company.
4. The Company reports and provides accurate, complete, and timely information to creditors.
5. Do not demand or receive or pay any benefits that are dishonest in negotiating business with creditors.
6. If there is a claim or received or payment of any benefit, dishonesty happens, must disclose details to creditors and together to resolve problems fairly and quickly.

3.5 Practices and Policies towards Customers

The Company realizes the importance of customers and strives to be attentive and responsible to customers by selling quality products and services to build confidence. Therefore, the policy of treating customers is set as follows:

1. Service customers with politeness and enthusiasm and be ready to serve with willingness.
2. Maintain confidentiality of customers and do not use it for your benefit or those involved improperly.
3. Provide accurate, adequate, and up-to-date information to customers to know about the products and services available without false advertising, causing customers to misunderstand any product quality or condition for sale.
4. Suggest on products and services of the Company for the best benefit of the customers.

3.6 Practices and Policies towards Competitors

The Company has the policy to treat competitors without violating the secrets or knowing competitors' trade secrets by fraudulent means. Therefore, the policy principles are set as follows:

1. Behave within good competition rules, legal framework, and business ethics.
2. Do not seek the competitor's confidential information through dishonest or improper means.
3. Do not destroy the reputation of our competitors by making malicious accusations.

3.7 Practices and Policies towards Community and Society

The Company is committed to acting as an excellent corporate citizen in compliance with the law and all relevant regulations. Focus on cultivating consciousness, community, and society's responsibility to occur within the organization continuously, including supporting activities that benefit the public and society.

The Company attaches great importance to the community and social development by contributing to society and communities' creation for a better quality of life both operated by us and in cooperation with government agencies by focusing on educational promotion and quality of life, such as the "My Computer Room" project by building a computer room for learning for backcountry schools. In addition, support scholarship and donate computer items and electronic equipment for education, including establishing a roadmap to merge with Learn Education in creating software to create a new kind of learning to help reduce educational disparity, etc.

3.8 Practices and Policies towards the Environment

The Company complies with the laws and regulations strictly related to the environment. Encourage executives and employees to pay attention to activities that will enhance the quality of safety, occupational health, and environment by providing measures to reduce energy consumption, waste management, and the use of resources efficiently and cost-effectively.

The Company has designed office buildings to be energy-saving buildings by installing a solar cell system for electricity generation and use it within the office building, also is known as Self-Consumption. It has a total capacity of 101 kilowatts (kWp), which will generate approximately 12,600 units of electricity per month, accounting for the estimated amount of money saved 40,000-50,000 baht per month depending on the season or about 500,000-600,000 baht per year. It can also help the Company reduce its use of fossil energy and carbon dioxide production by more than 100,000 tons per year, which is the Company's goal for social responsibility.

The Board of Directors has established policies and guidelines on anti-corruption practices. It prohibits directors, executives, employees of the Company (including subsidiaries, associated companies, other companies having control business partner and a person who may be regarded as an intermediary or representative of the Company) to conduct or accept support for all forms of corruption, directly or indirectly. The practices have been disclosed to be known entirely.

Article 4: Disclosure and Transparency

The Board of Directors has the policy to disclose financial information and others relevant to the business and the Company's performance that is truthful, complete, adequate, consistent, and timely. It shows the Company's actual financial status and performance, including its business's future.

The Board of Directors is committed to ensuring strict adherence to laws, rules, and regulations related to information disclosure and transparency. In which information is published on the Company's website, publications of the Stock Exchange of Thailand for shareholders and other relevant persons to access the report of the Company thoroughly and adjust to being in line with the guidelines set forth by the Stock Exchange of Thailand and the Securities and Exchange Commission.

The Company provides staff to communicate with investors or shareholders, including institutional investors and minority shareholders. The Company shall hold a meeting to analyze the performance regularly. It will also disseminate financial and general information to the shareholders and related agencies through various channels such as reporting to the Stock Exchange of Thailand Securities and Exchange Commission and the Company's website.

Besides, the Company pays attention to the financial reports to demonstrate the Company's actual financial status and operating results. It is based on accounting information that is correct, complete, and sufficient following accounting standards, which is generally accepted. The Company shall disclose information about each director as well as roles and duties of the Board of Directors and the Company's sub-committees, including remuneration for directors and senior management in the Annual Registration Statements (Form 56-1) of the Company.

Article 5: Board Responsibilities

The Board of Directors is responsible to the shareholders in connection with the company's business operations and corporate governance to be under goals and guidelines that will bring the best interest to the shareholders by taking into account the interests of all stakeholders.

The Board of Directors must perform following the law, objectives, articles of association of the Company, and the shareholders' meeting resolution by performing duties with honesty and care to protect shareholders and stakeholders' interests both for short and long term. The Board of Directors ensures the preparation of the Company's vision, mission, goals, policies, operational directions, strategic plans, work plans, and annual budgets to provide the Company's operation is in an approach that creates the best interests of the shareholders and stakeholders. The Board of Directors shall express opinions to create a mutual understanding of the business overview before considering, approving, and monitoring the management to achieve the goals set by adhering to the guidelines of the Stock Exchange of Thailand and the Securities and Exchange Commission.

5.1 Composition of the Board of Directors

The Board of Directors consists of 7 people. It comprises four executive directors and three independent directors. According to the relevant Capital Market Supervisory Board announcement, the independent directors are qualified persons, and among these are the three audit committees. Not less than half of the directors must have residences in Thailand. Also, the Board of Directors has appointed various sub-committees to help supervise the Company's business.

Each director can perform their duties and independent judgment in making decisions on various matters by asking questions, comments, or objections if there is a conflict of opinion on an issue that affects the interests of the shareholders or stakeholders.

The Board of Directors has a policy that the Chairman of the Board and the Chief Executive Officer must not be the same person to achieve clarity of responsibility during policy formulation, governance, and routine management. The Company clearly separates roles, duties, and responsibilities between the Board of Directors and the management, and there is a balance of power in operation. The Board of Directors is responsible for setting policies and overseeing the executives' operations at the policy level. In comparison, the executives are responsible for managing various aspects of the Company's work to comply with the specified policies.

5.2 Term of Office of Directors

At each annual general meeting of shareholders, 1/3 of the directors, or if the number is not a multiple of 3, then the number nearest to 1/3, must retire from office. The directors to vacate office in the first and second years following the registration of the Company shall, unless otherwise provided in the association, be drawn by lots. In every subsequent year, the directors who have

been the longest in office shall retire first. The retiring directors may be re-elected by the shareholders' meeting. In this regard, the Company's independent directors have a term of office not exceeding nine years from being appointed as an independent director for the first time. In the case of appointing such independent directors to hold office, the Board of Directors shall reasonably consider such necessity.

In addition to vacating office at the expiration of the term, a director vacates office upon:

- 1) Death
- 2) Resignation
- 3) Being disqualified or being under any of the prohibitions by law
- 4) Being removed by a resolution of a meeting of shareholders, with the votes of not less than three-fourths of the number of shareholders present at the meeting and entitled to vote and also with the aggregate number of shares of not less than one half of the number of shares held by the shareholders present at the meeting and entitled to vote.
- 5) Being removed by an order of the Court

5.3 Nomination of Directors

The Company shall focus on knowledgeable people, experienced, have a good work history and leadership, far-sighted, including having morality, ethics, and a positive attitude towards the organization, being able to devote enough time, which is beneficial to the Company's operations. It also considers the appropriate qualifications and is consistent with the composition and structure of directors following the Company's business strategy. The selection of directors has a transparent process and builds confidence for the shareholders.

5.4 Remuneration to Directors and Executives

Remuneration to Directors and Senior Executives

The Nomination and Remuneration Committee, appointed by the Board, is responsible for considering and offering opinions to the Board of Directors of the Company and shareholders on criteria for determining the remuneration of directors and top management. The policies and criteria for deciding remuneration are as follows:

- 1) The Company's performance and business size.
- 2) Experience, roles, duties and responsibilities of each director.
- 3) Benefits that the Company will receive from each director.
- 4) Remuneration established must be able to motivate qualified persons as needed and the Company's situation to be a director or an executive.

Remuneration to Chief Executive Officer

The Nomination and Remuneration Committee evaluates the Chief Executive Officer's performance by considering the Company's performance that its operations are under the policies received from the Board of Directors and the overall economic and social situation to consider appropriate compensation both in the short and long term. The procedures and criteria for determining remuneration are as follows:

- 1) The Company performance by comparing with the operating results of the companies at the same level
- 2) Increasing competitiveness and sustainable business operations in the long term to lead to sustainable success under transparent criteria
- 3) Ability to develop business and improve the operational efficiency of the business each year

5.5 Roles and Duties of the Board of Directors

The Company requires directors to comply with the Code of Best Practices for listed company directors following the Stock Exchange of Thailand's guidelines. The Board of Directors must understand and know their roles, duties, and responsibilities in supervising the Company's business under the Company's law, objectives, and the Company's articles of association, including the shareholders' meeting's resolutions and take into account the benefits of the Company and shareholders are essential. In this regards, the Board of Directors shall determine the policy, business goals, business plans, risk management policy, and the annual budget. Supervise the management to act following the established policies, procedures, and budgets with efficiency and effectiveness so that all directors, executives, and employees understand the ethical standards the Company uses in its business operations.

5.6 Roles and Duties of the Sub-committees

The Board of Directors has appointed five sub-committees, namely the Audit Committee, Executive Committee, the Nomination and Remuneration Committee, Risk Management Subcommittee and the Corporate Governance Committee. The scope of duties and responsibilities of each sub-committee has been clearly defined as follows:

1) Audit Committee

It consists of at least three independent directors with the scope of powers, duties, and primary responsibilities in reviewing the Company's financial reporting process with accuracy and sufficiency. Review to ensure that the Company has an appropriate and efficient internal control system and internal audit system. In this regard, at least one of the audit committee members must have sufficient accounting knowledge and experience to perform a duty in reviewing the reliability of the Company's financial statements.

2) Executive Committee

It consists of at least six Executive Committee members, with the Executive Committee determining the guidelines and business operation strategies following the goals set by the Board of Directors to manage the work to be flexible and efficient.

3) Nomination and Remuneration Committee

It consists of at least three directors, with an independent director acting as the Nomination and Remuneration Committee chairman. The Nomination and Remuneration Committee has the authority, duty, and responsibility for considering compensation policies and the benefits of Company directors, executives, and employees to propose to the Board of Directors and/or the shareholders' meeting to approve the said policy. The remuneration and benefits are determined, including nominating qualified persons to the Board of Directors and/or shareholders to be appointed as the Company directors and senior executives.

4) Risk Management Subcommittee

It consists of seven members of the Risk Management Subcommittee who are knowledgeable, competent, and have experience related to the Company's business or beneficial to the Company's business operations. Understand the business and the Company culture. Have knowledge and experience in finance, accounting, or risk management. The Risk Management Subcommittee has the main scope of powers, duties, and responsibilities to present the policy and overall risk management framework (Integrated Risk Management) to the Audit Committee to consider and formulate a policy to be practiced throughout the organization. Follow up on the progress of the Company's risk management plan. Communicate with the Audit Committee of the significant risks and report on the risks and risk management.

5) Corporate Governance Committee

It consists of at least three directors, and at least one person must be an independent director. They have the main scope of powers, duties, and responsibilities to consider and approve the Company's policies, strategies, goals, guidelines, and work plans on good governance and social responsibility. Propose to the Board of Directors for consideration and approval. Promote the participation of the Board of Directors, executives, and practitioners in good governance and social responsibility

activities of the Company. Supervise to ensure compliance with policies and/or regulations related to good governance. Regularly monitor and report performance results to the Board after every meeting of the Corporate Governance Committee. Periodically review and propose improvements to the Company's good governance policies and practices as appropriate by comparing it with leading companies and recommending it to the Board of Directors for continual improvement. Perform any other duties related to good governance as assigned by the Board.

5.7 Meetings of the Board of Directors

The Company stipulates the rules for the Board of Directors' meeting as follows:

- 1) The Board of Directors meetings are scheduled in advance at least six times per year, and special meetings may be held as necessary and appropriate. The details shall be informed at least seven days in advance. Every meeting must be attended by not less than half of all directors, thus constituting a quorum. Moreover, the quorum of the Board of Directors' meeting while voting must be at least two-thirds of the total number of directors attending the meeting.
- 2) There is a clear agenda before the meeting. The Chairman of the Board and the Chief Executive Officer jointly consider the matters included in the agenda. The Company Secretary is in charge of ensuring that the directors receive supporting documents in advance at least five business days prior to the date of the Board of Directors' meeting for sufficient time to study and consider giving opinions and voting.
- 3) Allocate sufficient time for management to provide information to debate and adequate for the Board to discuss important issues. Provide opportunities and encourage each director to express their opinions before summarizing the views received from the meeting.
- 4) If the directors have interests in the matter being considered, he/she shall not have the right to vote. If it is regarded as a connected transaction, the directors with interests must not present for such an agenda.
- 5) Every meeting must have a written record of the meeting and keep the minutes approved by the Board of Directors and available for the Board and relevant parties to be examined.

5.8 Annual Report of the Board of Directors

The Board of Directors is responsible for preparing the Company's financial reports and the financial information appearing in the annual report. The preparation of financial statements is following generally accepted accounting standards by selecting the appropriate accounting policy and adhering to it regularly and using careful discretion in the trial. Besides, sufficient important information is required to be disclosed in the notes to the financial statements. The Board of Directors assigns the Audit Committee to supervise the quality of financial reports and provide opinions to the Board of Directors.

5.9 Development of Directors and Executives

The Company has the policy to promote and facilitate knowledge enhancement for directors and executives by allowing each director and executive to participate in the training organized by various departments to increase knowledge and new perspectives for directors and executives.

5.10 Board Self-Assessment

1. The Board and sub-committees self-assess their performance at least once a year for the Board to consider the performance and problems for further improvement, including using the assessment results to evaluate the suitability of the Board's composition.
2. Assessment of the Board's performance as a whole or individually, the Company shall disclose the criteria, procedures, and examination results in the annual report.

5.11 Succession Plan

The Board of Directors must ensure that the Company has an appropriate system for selecting personnel responsible for important management positions at all levels. The recruitment of top management follows a recruiting process that considers people both inside and outside the group of companies and provides a project for management development and the consideration of work succession plans.

5.12 Disciplinary Consideration

The Company has established the disciplinary criteria for employees, executives, and directors as follows:

1. The disciplinary committee shall consider the offense, and the chief executive of that segment approves for employees below the manager level.
2. The Executive Committee shall appoint a disciplinary committee from time to time for its consideration, and the Executive Committee approves for management level manager and above.
3. The Board of Directors shall appoint a disciplinary subcommittee from time to time for consideration and decision by the Board of Directors for the executive director.
4. Suppose a director of the Company commits an offense by dishonest or gross negligence. In that case, the said director will be responsible for any violation and/or make reparations for damages incurred in a personal capacity.

5.13 Supervision of Code of Business Conduct

Directors and executives at all Company levels must be role models in complying with the established Code of Business Conduct. Compliance Unit and Human Resource Management Department are responsible for disseminating knowledge, creating understanding, and encouraging employees at all levels to strictly adhere to the Code of Business Conduct and make it a part of the corporate culture in working. The performance and compliance with this Code of Conduct must be reported to the Nomination and Remuneration Committee and the Board of Directors.

5.14 Review

To ensure good corporate governance policy and the Company's Code of business conduct following the laws, rules, and government regulations and consistent with the ever-changing business environment, the Company Secretary Office is responsible for reviewing and revising such policies at least once a year.

Investment Policy of the Company and Investment Policy in Subsidiaries and Associates

The Company focuses on investing in companies and associates that can grow and generate good returns on their investments to make the Company a leader in IT products' retail business that covers the needs and satisfies the customers. In this regard, the request for investment approval must be consistent with and under the Capital Market Supervisory Board Announcement Re: the Regulation on Significant Transactions Subjecting to be an Acquisition or Disposition of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E.2547.

Investing in the businesses as mentioned above, the Company focuses on long-term investments based on the business's fundamentals to be invested in, including the trend of that business is essential. Besides, the Company has the policy to invest in a sufficient proportion to participate in the management and formulation of business practices in subsidiaries, associates, and jointly controlled entities, including promoting the businesses that invested in for sustainable growth.

In any investment decisions, the Company shall analyze the feasibility of the project and consider its potential, including the risk of investment and present the investment results to the Board of Directors for consideration, including advising to reduce the risk of any investment that may occur.

To supervise that subsidiary's operations, the Company shall send a representative of the Company to be the director of the subsidiary. Such the person must have qualifications and experience appropriate for the said business and have no conflicts of interest in the business. The said representative must manage the subsidiary's business according to the policy approved by the Company and follow the rules and regulations stipulated in the Articles of Association and the laws of related subsidiaries.

The Company shall closely follow the operating results and operations of the said business and present the analysis results, including giving opinions or suggestions to the Board of Directors of subsidiaries or associated companies or jointly controlled entities. It is for use in determining policies or enhancing the business of subsidiaries, associated companies, or jointly controlled entities to be constantly evolving and growing.

Policy on the Use of Inside Information

The Board of Directors realizes the importance of good corporate governance to be transparent and prevent exploitation of the Company's internal information that has not been disclosed to the public. The Company has set the policy for the use of inside information as follows:

1. Educate the Directors and Executives regarding the reporting of their securities holdings, spouse, and underage children to the Office of the Securities and Exchange Commission under Section 59 and the penalties under Section 275 of the Securities and Exchange Act B.E. 2535 (and its amendments). Report on the acquisition or disposition of securities of their holding, spouse, and underage children to Office of the Securities and Exchange Commission following Section 246 and the penalties under Section 298 of the Securities and Exchange Act B.E. 2535 (and its amendments).
2. The Directors and Executives of the Company, including their spouses and underage children, is required to prepare and disclose reports on securities holding and change in securities holding of the Company to the Securities and Exchange Commission under Section 59 and the penalties under Section 275 of the Securities and Exchange Act B.E. 2535 (and its amendments). Then, deliver a copy of this report to the Company on the same day as the submission date of the report to the Office of the Securities and Exchange Commission.
3. Directors, executives, and employees of the Company and its subsidiaries who aware of material insider information that affects the changes in securities prices need to be careful in trading Company securities in the one month before the financial statements or inside information are made public, and during the 24 hours after the Company's internal information has been disclosed to the public. Those involved with inside information must not disclose such information to others until such information is notified to the Stock Exchange of Thailand. If there is a violation of the above regulations, the Company is considered a disciplinary offense following the Company's work regulations. It shall consider the punishment as appropriate in the case of verbal admonition, a warning in writing, probation, the termination of employment, and termination of work on the grounds of firing, dismissal, or discharging, as the case may be.
4. Determine the procedure for trading securities of directors and executives to be reported one business day before the purchase or sale.
5. It is prohibited for directors, executives, and employees of the Company to use inside information of the Company that has or may have an impact on changes in the Company stock prices, which has not been disclosed to the public. In which he/she has known from the position to be used for buying or selling or offering to buy or offer for sale or persuade others to buy or sell or offer to buy or offer shares or other securities (if any) of the Company, either directly or indirectly. It is in a manner that causes damage to the Company directly or indirectly and whether such actions will be done for the benefit of oneself or others or disclose such facts to allow others to do so without their benefit or not.

6. Directors, executives, and employees of the Company or former directors, executives, and employees have to keep confidentiality and/or internal information of the Company and have a duty to use the Company's inside information to benefit the Company's business operations only. Directors, executives, and employees of the Company are prohibited from using the Company's confidential and/or inside information for other companies in which they are shareholders, directors, executives, and employees.
7. Directors, executives, and employees of the Company must comply with the Insider Trading Guidelines of the Securities and Exchange Act and the Public Limited Companies Act, including other relevant rules.

Conflict of Interest Policy

The Board of Directors has established a policy on the prevention of conflicts of interest on the principle that any decision in conducting business activities must be made in the Company's best interest only. Besides, actions that create conflicts of interest should be avoided by requiring those involved or having a stake in the transaction. They must notify the Company of their relationship or interest in the said transaction and not participate in the decision making and have no power to approve such transactions.

If the management or the directors of the Company deems that a particular transaction is considered a connected transaction or a transaction with an apparent conflict of interest, it must comply with the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 and/or Section 80 of the Public Limited Companies Act Re: the abstention of interested Directors from Voting either directly or indirectly.

Investor Relations Policy

The Company has set up Investor Relations to communicate with investors or shareholders, including institutional investors and minority shareholders. The Company shall hold a meeting to analyze the performance and disseminating information of the organization, financial and general information provided to shareholders, securities analysts, and related agencies through various channels such as reporting to the Stock Exchange of Thailand and the Securities and Exchange Commission.

The Company also attaches great importance to the disclosure information regularly in both Thai and English versions to provide shareholders with news through the Company's website such as vision, mission, financial statements, press releases, annual report, the Company's structure and management, shareholding structure, and major shareholders.



Post

:

Investor Relations
Com7 Public Company Limited
549/1 Sanphawut Rd., South Bangna sub-district
Bangna district, Bangkok 10260



Investor Relations Website

:

<http://www.comseven.com/investor-relations>



Telephone

:

02 017 7710

Fax

:

02 017 7778

Related Party Transactions Policy

The Company complies with the law on Securities and Exchange and regulations, announcements, orders, or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand relating to the entering into of the transaction. In this regard, management or stakeholders shall not be able to participate in the approval of such related party transactions.

Suppose the law requires approval from the meeting of the Board of Directors. In that case, the Company will arrange an audit committee to attend the meeting to consider and comment on the transaction's necessity and reasonableness. The commercial agreement transaction with general commercial conditions and the transaction that the commercial agreement is not a general commercial condition, there are the following principles.

Commercial Agreement Transaction under General Commercial Conditions

A related party transaction is a commercial agreement with general commercial conditions between the Company and the subsidiaries, directors, executives, or related persons. It has been approved as a guideline by the Board of Directors. Allowing the management to approve such transactions if the transaction has a commercial agreement in the same manner as a normal person would in the same situation with trade bargaining power without influence in their position as a director, executive, or related person.

The Company shall prepare a summary report on transactions related to connected transactions or transactions that may cause a conflict of interest to report at the Audit Committee meeting and the Board of Directors meeting every quarter.

Transaction that the Commercial Agreement is not under General Commercial Conditions

A related party transaction is a commercial agreement with general commercial conditions between the Company and the subsidiaries, directors, executives, or related persons. It has been approved as a guideline by the Board of Directors. Allowing the management to approve such transactions if the transaction has a commercial agreement in the same manner as a normal person would in the same situation with trade bargaining power without influence in their position as a director, executive, or related person.

The Company shall prepare a summary report on transactions related to connected transactions or transactions that may cause a conflict of interest to report at the Audit Committee meeting and the Board of Directors meeting every quarter.

Transaction that the Commercial Agreement is not under General Commercial Conditions

The transaction that the commercial agreement is not a general commercial condition must be considered and commented on by the Audit Committee before proposing to the Board of Directors and/or the shareholders' meeting for further approval. In this regard, it shall comply with the law on Securities and Exchange and the regulations, announcements, orders, or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand, including compliance with the connected transaction's disclosure requirements.

Suppose the Audit Committee does not have expertise in considering any related transactions that may occur. In that case, the Company will appoint an independent expert or the Company's auditor to give opinions on such related transactions to be used in the decision-making of the Audit Committee and/or the Board of Directors and/or shareholders as the case may be. It is to ensure that such transactions are necessary and reasonable, taking into account the Company's interests. The Company will disclose the related transactions in the annual registration statement and the notes to the financial statements audited by the Company's auditor.

Future Related Party Transactions Policy

Related transactions that may occur in the future, the Board of Directors must comply with the laws on Securities and Exchange and regulations, announcements, orders, or requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand, including compliance with the disclosure requirements of the Company's related transactions or subsidiaries following the accounting standards stipulated by the Institute of Certified Accountants and Auditor of Thailand.

If it is a connected transaction that arises from the Company's regular business operations and a list that will continue in the future, the Company has set the rules and guidelines to look like a commercial agreement with general commercial conditions. It is based on reasonable, fair prices, requirements and can be examined. Then, propose to the Audit Committee to consider and approve the criteria and guidelines for such operations.

In the case of entering into a connected transaction in the future, the Company will arrange for the Audit Committee to comment on the said transaction's suitability. If the Audit Committee doesn't have expertise in considering related transactions, the Company will provide knowledgeable persons to give opinions on related transactions. The Audit Committee's opinion or the person with special knowledge will be used in the decision of the Board of Directors or shareholders, as the case may be to ensure that the transaction is a transaction that the Company considers the best interests of all shareholders.

Human Resource Development Policy

The Company focuses on the development of knowledge, skills, abilities, and potential of personnel at all levels continually and instilling corporate culture and ethics together to be consistent and support the strategic business plan and ready to support business growth. Human resources are one of the primary resources that support operations. It can create differentiation and a competitive advantage for the business. It is also an important mechanism that will help drive the Company to achieve its goals in the future. The Company, therefore, has a policy for personnel development as follows:

1. The Company promotes the development of knowledge for employees at all levels suitably and adequately.
2. The Human Resources Department is responsible for preparing the annual development plan and a budget for the yearly personnel development expenses on schedule.

2.1 Training and Development

2.1.1 The Company formulates a systematic and continuous development plan for all employees every year by creating a clear training roadmap (Training roadmap) divided according to each level of the position (Level) that corresponds to the duties, responsibilities, and competencies (Competency) needed to perform practical work both in the head office and the storefront business. All courses will focus on the development of employees' abilities as follows:

- **Core Competency** is the ability to represent the organization's working culture that all personnel in the organization should have and in the same direction to enable the organization to achieve its operational goals.
- **Managerial Competency** is the administrative competence that personnel at each level and position need to use for self-management and subordinates to achieve the organization's goals.
- **Functional Competency** is the competence and professional skills necessary to successfully implement a job, which is different according to the nature of the work.

The training roadmap clearly defines the content of training courses that employees at each level must attend. It will be the foundation for developing employees' potential and creating a career path for future employees. There are soft skills that promote core competency and management competency and hard skills for employees to be proficient in the practical line of work. Build a variety of work skills and respond to the development of their career path.

2.1.3 The Company requires all new employees to attend the Company Orientation course in order to focus and remind them to understand and visualize the goals, missions, corporate culture, code of conduct, and anti-corruption policy as well as create an understanding of business and build a relationship with the Company from the first day of starting work.

2.1.3 The Company has prepared a short-term training program in the form of knowledge sharing in addition to the main training plan by inviting speakers specializing in various fields to share knowledge with employees to enhance new knowledge beyond the main course.

2.2 Development Plan for Leadership and Talent Management

The Company has set a plan to develop leadership potential and manage talent to be ready. Able to lead change and drive strategies towards more effective performance while creating a work culture and values that can help promote and drive the development of modern management systems. It is a form of continuous human resource development throughout the year to ensure continuity and to be able to create a group of executives in the future. The development scheme based on the 70-20-10 ratio concept is as follows:

- **Ratio 10%** learning and development through formal training process (Formal Training) by the Company will provide various courses in the classroom format (Classroom Training). Based on the training roadmap (Training roadmap) of the Human Resources Department prepared.
- **Ratio 20%** learning and development from people around them in various roles by they learn from senior management, direct supervisor, colleague, a specialist in the form of coaching, training from experts as a mentor, and feedback, mainly from supervisors directly.
- **Ratio 70%** learning and development through hands-on practice (Special Project) by the Company selects each group of employees to do real projects to increase efficiency in learning.

The development plan has been designed with an important goal that everyone who goes through this project must learn and develop the potential to become a vital force of the Company in the future.

2.3 Knowledge Management Systems in the Organization

The Company provides a system to store data for further employee development or create the body of knowledge to increase employees' potential in various ways. For example, the Performance Management System is a system that the Company has developed for internal use to record and store the annual performance appraisal results. The Company has used to analyze such information, and it is the starting point for further development of training courses in the future. Furthermore, the Company has used the Easy LMS system for training to learn various approaches, including online training evaluation. In addition, the Company has developed upgraded mobile applications (IT Easy Mobile Application) continuously to be used as a common reference source such as information about products, promotions, news, sales analysis, details of various operating procedures, etc. Furthermore, it is used in teaching (Coaching Recognition System (CRS)) knowledge measurement (Knowledge Training Online (Go to training)), resulting in employee awareness and creating learning among employees.

2. The Human Resources Department must follow up on the training plan. If there is a need to change or modify, notify the relevant parties in advance.
3. The Human Resources Department must control the budget for personnel development to be in the budget plan set.
4. The Human Resources Department is responsible for evaluating and following the courses already been arranged.
5. The Company encourages its directors to attend training and seminars in relevant and appropriate courses to develop knowledge continually and lead the Company to grow progressively.
6. The Human Resources Department is responsible for coordinating with various departments regarding personnel development to ensure that the plan is consistent with the Company's strategic procedures and business practices and prepare employees to take on increased responsibility, career advancement, and the ability to take vacant positions.
7. Training and Development Management
8. The Company arranges for development according to the annual development plan.
 - 8.1 The Company provides additional development from the annual development plan by the related parties requesting to provide.
 - 8.2 The Company sends employees to attend training according to the courses organized by various institutions.
 - 8.3 The Human Resources Department is responsible for collecting personnel training and development information.
9. Suppose the employee nominated for training cannot attend the activity on the specified date and time. In that case, he must notify their department manager and HR manager in advance. Approval or not depends on the opinion of the employee's department manager. In case of acceptance, such events will be recorded in the employee's training history to select future trainees.

Human Rights Policy

Com7 Public Company Limited has an ideology in conducting business with integrity, adhering to social responsibility, and all groups of stakeholders according to corporate governance principles. In terms of human rights protection, the Company strictly complies with the law to ensure that Com7 Public Company Limited's business operations are free from human rights violations. Therefore, the executives and directors of the Company deem it appropriate to formulate policies and guidelines on human rights to prevent human rights violations in all business activities of the Company, including the business value chain and business partners (Joint Venture).

Executives and employees at all levels must realize the importance and respect for human rights in all aspects of every individual as well as society and community according to the laws of each country and according to the treaty that each country has obligations to perform, including;

- Equal treatment of all human rights without discrimination
- Avoiding acts that violate human rights
- Promoting human rights
- Communicating, disseminating, educating, understanding, setting guidelines, monitoring, and supporting those involved in the business operation throughout the business value chain, suppliers, contractors, and joint ventures to participate in conducting business with integrity, respect for human rights, and treat everyone following the principles of human rights under this policy

Scope

This policy applies to Com7 Public Company Limited's business operations and its subsidiaries, including business partners, to use it in business operations and encourage the stakeholders to respect human rights.

Definitions of terms used in human rights policy

Human Rights

means fundamental rights that all human beings are guaranteed or protected against discrimination based on physical, mental, ethnic, nationality, religion, sex, language, age, color, education, social status, or any other legal matter and act ethically.

The Company Guidelines

1. Respect human rights and treat each other with respect. Respect each other and treat each other equally without discrimination of physical, mental, ethnic, nationality, religion, sex, language, age, color, education, social status, or any other matter.
2. Be careful in performing duties to prevent the risk of human rights violations in business operations and monitor human rights respect.
3. Support and promote actions to protect human rights.
4. Communicate, disseminate, educate, understand, formulate guidelines and provide other support to those involved in business operations throughout the business value chain, suppliers, contractors, and joint ventures to participate in conducting business with integrity, respect human rights, and treat everyone following the principles of human rights under this policy.
5. Oversee respect for human rights and do not ignore when seeing actions that consider human rights violations related to the Company. Must report to the supervisor or responsible person and cooperate in investigating various facts. If there are any questions or concerns, consult with the supervisor or the person responsible through specified grievance channels.
6. The Company will provide fairness and protection to persons who report human rights violations related to the Company.
7. The Company will continually develop and implement the Human Rights Management Process (Due Diligence Process).
8. The Company is committed to creating and maintaining an organizational culture that adheres to respect for human rights following this human rights policy.
9. People involved in human rights violations are to violate the Company's code of conduct, which must be considered disciplinary under regulations set by the Company. In addition, there may be legal penalties if the act is illegal.
10. The Company has provided remedial measures if the Company has committed human rights violations to mitigate human rights impacts that may arise from the Company considering the level of impact. The process is as follows:
 - Apologizing
 - Compensation, both in monetary and non-monetary form
 - Stopping some operations
 - Arrangement of damage control and prevention of recurrence

In this regard, the Company has established a process for monitoring results, auditing, assessing risks and human rights impacts regularly, and setting guidelines or measures to manage risks appropriately by giving all departments the responsibility to supervise and manage the risks under their duty. In addition, the Company develops communication channels to promote knowledge, understanding, and practice regarding human rights, including providing channels for listening to opinions and suggestions from employees, outsiders, and stakeholders, reflecting problems, reporting clues or complaints. In the event of an event or action that may constitute a violation of human rights, be able to report whistleblowers or complaints to the Company through 2 channels: Phone: Call Center 02-017-7770 and Website: <https://bit.ly/HRcom7Care> to bring opinions to review and to prevent risks that may occur in violation of human rights.

Intellectual Property Policy

The Company is committed to protecting and preserving intellectual property rights owned by the Company or its group companies, such as copyrights, trademarks, patents, petty patents, specialized knowledge, trade secrets, etc. from being infringed or used without permission, including respecting the intellectual property rights of others without committing any infringement or unauthorized use as well.

1. The Company must conduct its business and encourage its personnel to work under the laws or regulations related to intellectual property rights, whether patents, copyrights, trademarks, trade secrets, and other intellectual property rights as required by law.
2. The Company personnel are entitled and encouraged to independently produce their work under applicable law. However, the results derived from the performance of duties or works that use the Company information or works explicitly done for the Company is the Company's property unless the Company expressly permits it to be regarded as the works of a creator, inventor, researcher, or other people.
3. The Company encourages its personnel to realize the importance of respecting intellectual property rights directly related to the operation and daily life.
4. Bringing results or information to use in work, those involved must ensure that they do not infringe the intellectual property of others.

Scope

This policy applies to the business operations of Com7 Public Company Limited and its subsidiaries.

Definitions of terms used in intellectual property policy

"Intellectual Property"	refers to	Works resulting from the invention, designs, or creation of human beings
"Patent"	refers to	The important letter issued by the state to protect innovations related to invention or product design, such as invention patent, product design patent, and petty patent
"Copyright"	refers to	The copyright owner's exclusive right to act with the work that the creator has done, regardless of any form of expression such work, such as literary works, dramatic works, artworks, musical works, audiovisual materials, films, sound recordings, broadcasting works, such as computer programs, drawings, photographs, articles, etc.
"Trademark"	refers to	The mark, symbol, or brand used with goods or services, such as trademark, service mark, certification mark, and collective mark
"Trade Secret"	refers to	Generally unknown commercial information and has commercial value because the data as confidential and take reasonable steps to keep that information confidential

The Company Guidelines

1. The Company's personnel are obliged to comply with all laws, rules, and regulations regarding the protection of intellectual property rights, all regulations & contractual obligations about the intellectual property rights of others, including patents, copyrights, trademarks, trade secrets, and other proprietary information.
2. Maintain and protect the Company's intellectual assets from infringement, disclosure, duplication, alteration, or otherwise without permission from the Company.
3. Respect and do not infringe or misuse the intellectual property rights of others. Examine works that are entitled to third parties acquired or to be used by the Company. The employees must be approved by the supervisor in such action first. If in doubt, the supervisor must seek an opinion from the Company's legal authority.
4. There should be an explicit agreement on intellectual property rights in entering into any contract or juristic act.
5. Assignment of the Company's intellectual property rights to any other party, whether a group company or not, must be done according to the form prescribed by law and performed by the Company's authorized person only.
6. Cooperate in expressing rights or requesting protection of intellectual property rights owned by the Company.
7. Report to the supervisor or an intellectual property supervisor when witnessing an infringement of rights or an act that may lead to a violation of intellectual property rights.
8. If copyrighted work or any other intellectual property arises due to the performance of the executives and employees, those copyright or intellectual property rights belong to the Company.
9. Personnel of the Company who have retired from being an employee must return the Company's intellectual property such as inventions, reports, commercial data, programs, processes, innovations in its possession entirety.



Code of Conduct



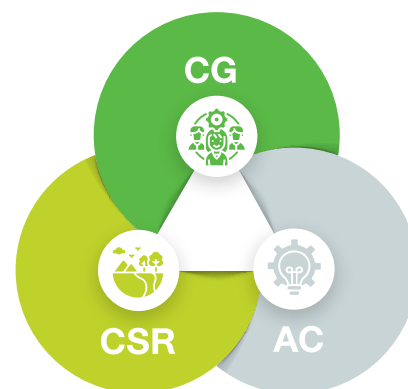
บริษัท คอมเซเว่น จำกัด (มหาชน) และบริษัทย่อย



1. Rationale

Com7 Public Company Limited and its subsidiaries have a management policy adhering to good corporate governance principles and conduct business with lawfulness, transparent information disclosure. Set goals for success with care. Take into account the potential and create appropriate returns to shareholders and consider the balance between the business, society, and environment, which shall lead to a sustainable organization.

The Company has provided a manual "Code of Conduct" to be used as practices for its directors, executives, and employees. Operate business following good governance principles and responsibility to all stakeholders, both inside and outside the organization, and continuously reviewing and monitoring performance under the Code of Conduct manual.



2. Definitions

“Code of Conduct” or “Ethics”	refers to	business operations, according to best practice leading the organization to have a good governance system to maintain and promote a good reputation
“Company”	refers to	Com7 Public Company Limited and its Subsidiaries
“Connected Person”	refers to	a person in any of the following relationships (1) a person with power to control the Company’s business, and in the case of a juristic person, it also means a director of that juristic person (2) the spouse, underage offspring, or adopted child of the director, executive, or person in (1) (3) any juristic person with controlling persons in (1) and (2) (4) any person with characteristics as specified in the Notification of the Capital Market Supervisory Board
“Stakeholder”	refers to	shareholders, investors, employees, customers, business partners and creditors, venture capitalists, and business alliance
“Information Disclosure”	refers to	disclosure information relating to the Company’s business activities under the Public Limited Companies Act B.E. 2535 and the Securities and Exchange Act B.E. 2551, rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission
“Corruption”	refers to	bribery of any kind, such as offering, giving, promising, demanding, or accepting cash/asset or other benefits unsuitable for government agencies, private agencies, business partners, customers, and all groups of stakeholders either directly or indirectly
“Conflict of Interest”	refers to	carrying out any activities that may have personal needs or of the persons involved, whether by blood or any other way to influence decisions or may obstruct or a hindrance to the best interests
“Giving Things or Benefits”	refers to	giving privilege in the form of cash, assets, things, or any other benefits as a reward or building a good relationship
“Bribery”	refers to	offering or accepting gifts, prizes, or any other assets to induce the act of misconduct by the giver, which often an incentive for the recipient to act illegally or refrain from performing duties
“Conventionality”	refers to	festivals, important dates, or events with a unique tradition and essential to society
“Intellectual Property”	refers to	works resulting from the invention, designs, or creation of human beings
“Patent”	refers to	the important letter issued by the state to protect innovations related to invention or product design, such as invention patent, product design patent, and petty patent
“Copyright”	refers to	the copyright owner’s exclusive right to act with the work that the creator has done, regardless of any form of expression such work, such as literary works, dramatic works, artworks, musical works, audiovisual materials, films, sound recordings, broadcasting works, such as computer programs, drawings, photographs, articles, etc.
“Trademark”	refers to	the mark, symbol, or brand used with goods or services, such as trademark, service mark, certification mark, and collective mark
“Trade Secret”	refers to	generally unknown commercial information and has commercial value because the data as confidential and take reasonable steps to keep that information confidential

3. Business Operating Principles

Vision

The Company is committed to being a leader in distributing modern technology products with excellent service by efficient management of the work team.

Mission

Enhance the quality, efficiency, and service tactics of each business in the group companies to compete effectively. Develop a management and service system with modern technology to meet customer needs, focusing on expanding service channels that reach customers throughout the country. Cooperate with the business alliances to increase efficiency all around and create success together and seek new business opportunities for the future and create sustainable added value.

Business Philosophy “SEVEN”

S	=	Stability	Stability
E	=	Efficiency	Efficiency
V	=	Velocity	Velocity
E	=	Economy	Economy
N	=	Novelty	Novelty

Corporate Culture “SERVICE”

S	=	Simple	Simple
E	=	Energized	Energized
R	=	Relationship	Relationship
V	=	Valiant	Valiant
I	=	Integrity	Integrity
C	=	Commitment	Commitment
E	=	Entertaining	Entertaining



4. Code of Conduct for Directors

The Company expects its directors, sub-committees, and directors of the subsidiaries to perform duties within the framework of laws, notifications, and requirements of Governance agencies, the Company's Articles Association, ethics, and corporate governance, by performing their duties with honesty, care, and prudence for the best interest in the Company's continuous and sustainable business operation and stakeholders as follows.

Corporate Compliance

1. Comply with rules and regulations involved in the Company's business operation as follows:
 - 1.1 Directors, executives, and employees shall adhere to the laws, regulations, requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission.
 - 1.2 Directors, executives, and employees shall not act, support, or tolerate any means to circumvent any applicable law or regulation.
2. Perform duties with impartiality. Suppose in any meeting there is a matter to be considered. In that case, the director who has a conflict of interest must leave the meeting room and refrain from participating in making such decisions.
3. Abstain from conflicts of interest for transparency in management effectively as follows:
 - 3.1 Do not take the information received from the duty to take advantage of oneself or others illegally.
 - 3.2 Do not misuse corporate secrecy and disclose any confidential information of the organization even after the end of the organization's performance.
 - 3.3 Do not exploit personal gain from being a director.
 - 3.4 Do not accept items or any other advantage contrary to the organization's benefit.
5. Keep corporate confidential information not to leak to unrelated persons, which may cause damage to the organization or stakeholders unless it is following the laws.
6. Acquisition or disposition of registered securities of directors, spouses, and underage children shall comply with the Notification of the Stock Exchange of Thailand Re: Practice on Acquisition or Disposition of Securities of Directors and Employees, B.E 2547.

Conflict of Interests

The Company has established procedures for conducting related transactions with persons who may have conflicts of interest that must be reviewed by the Audit Committee or the Board of Directors according to the specified criteria. Disclose the transactions and their value that may have had conflicts in the past year by clearly explaining the transactions' necessity and reasonableness. The Company requires directors and executives who are involved in the said transaction to disclose information and/or the nature of their relationship, spouse, and close relatives according to the notification of the Stock Exchange of Thailand Re: Practice on Acquisition or Disposition of Securities of Directors and Employees, B.E 2547.

If the Company enters into any contract or related transactions with subsidiaries, related companies, and/or third parties, shall consider the necessity and appropriateness of entering into such contracts concerning the Company's interests as the main.

Keeping Confidential Information and Data Retention

The Company will maintain confidential information, which is not public information not to be leaked to the related person. In particular, information may affect the Company or stakeholders. Besides, directors, executives, and employees are prohibited from using the Company's information for personal gain. The guidelines are as follows:

1. The Company has established a secrecy class and methods by which its individuals must understand the level of confidentiality and confidentiality practices. The Company personnel must maintain confidentiality in the areas they are responsible for. Do not let the secrets pass to other people, including personnel of other companies that are not related.
2. Employees of the Company who, despite their retirement, resignation, or have ended their work with the Company, should keep and not disclose the Company's secrets.
3. The Company must maintain and conceal customer and commercial information confidential. The Company personnel must not disclose customer confidentiality to the Company personnel and unrelated external personnel. Unless it is required by law to disclose, disclosure for litigation purposes or the Board of Directors approved the disclosure.
4. Insider information is information for the operation and management of the business, which is the Company's confidential information that has not been disclosed to the public. However, if revealed, it will affect the Company. In particular, it affects the value of publicly traded stocks. Therefore, the Company's personnel must keep the insider information confidential and must not bring it that they know from the performance of their duty to others or using the insider information for exploitation in a wrong way or reduce the benefits of the Company.
5. The Company personnel will be notified and campaigned to refrain from using insider information through the Company's contact channels, especially when there are important events such as the issuance of the capital increase and issuance of debentures, etc.
6. Hiring someone who used to work with competitors or governments in the past, the Company must find and study the confidentiality agreements that person entered into with competitors or the government before the Company and must not do anything to cause that person to act in violation of the agreement with a competitor or the government which will cause litigation.
7. The Company personnel must disclose information with authority and duty. General personnel have no duty to disclose information. When asked to reveal the data, they have no obligation to tell it. Introduce the questioner asking those responsible for demonstrating that information to provide accurate and consistent data.
8. Directors, Executives, and Employees need to make a copy Send or store information or documents appropriately, safely, following the deadlines and criteria set by the Company or under the provisions of the law by keeping it carefully and systematically for ease of use. After the expiration of the time required to maintain the information, the employees involved must arrange for destruction by means suitable for each type of data or document to prevent unrelated people from accessing such information or secrets.

Responsibility to the Company Assets

The Company encourages the executives and employees to use the Company's assets and resources efficiently, economically, and in the most profitable way. Prevent the Company's assets from depreciation or wrongful loss. It must not be used for personal gain or for any other person who is not related to the Company's business. The Company is also committed to protecting and preserving intellectual property rights owned by the Company or its group companies, such as copyrights, trademarks, patents, petty patents, specialized knowledge, trade secrets, etc. from being infringed or used without permission, including respecting the intellectual property rights of others without committing any infringement or unauthorized use as well. The guidelines are as follows:

1. Documentation

- 1.1 Documents must be prepared with honesty and prudence following the specified standards.
- 1.2 It is forbidden to falsify the Company's books, reports, or messages.

2. Use of Computers and Information Technology Systems

- 2.1 Computer equipment, information technology system, and other information to be regarded as the Company's property, executives and employees must use it for the Company's benefit only.
- 2.2 Use of electronic equipment, electronic data, or information technology systems must comply with the Computer Crime Act B.E. 2550 and the Computer Crime Act (No. 2) B.E. 2560.
- 2.3 Executives and employees are prohibited from disclosing the Company's business information, both addresses and not in the Company's information system, or copy into personal storage media without permission.
- 2.4 Executives and employees are prohibited from altering, duplicating, deleting, or destroying the Company's information without permission.
- 2.5 Executives and employees are disallowed to use illegal software, and a copy of copyrighted software for any reason is prohibited without permission from the software vendor.
- 2.6 Executives and employees are forbidden from modifying or installing any hardware devices other than standard equipment installed by the Company unless specially authorized.
- 2.7 Executives and employees are prohibited from using corporate e-mail addresses to forward malicious messages, tarnish, or statements that are obscene, threatening, harassing, or annoying to others, or violate the policy, or illegal, or violate good morals.
- 2.8 Executives and employees should use the Internet to seek information and knowledge that are useful for their operations and must avoid illegal websites or violate good morals.
- 2.9 Executives and employees are prohibited from wrongful access to systems or information not authorized or intended for them.
- 2.10 Executives and employees who know preventive measures are prohibited from accessing information and computer systems created by others or not intended for them in the wrongdoing and desire or cause damage to others.
- 2.11 Use the system properly according to the permissions granted. Keep their passwords secret to prevent others from accessing their information.
- 2.12 Company or agency assigned, the Company reserve the right to inspect the use of assets under the Company's information system as appropriate.

3. Use and Care of Intellectual Property

- 3.1 The Company's personnel are obliged to comply with all laws, rules, and regulations regarding the protection of intellectual property rights, all regulations & contractual obligations about the intellectual property rights of others, including patents, copyrights, trademarks, trade secrets, and other proprietary information.
- 3.2 Maintain and protect the Company's intellectual assets from infringement, disclosure, duplication, alteration, or otherwise without the permission from the Company.
- 3.3 Respect and do not infringe or misuse the intellectual property rights of others. Examine works that are entitled to third parties acquired or to be used by the Company. The employees must be approved by the supervisor in such action first. If in doubt, the supervisor must seek an opinion from the Company's legal authority.
- 3.4 There should be an explicit agreement on intellectual property rights in entering into any contract or juristic act.
- 3.5 Assignment of the Company's intellectual property rights to any other party, whether a group company or not, must be done according to the form prescribed by law and performed by the Company's authorized person only.
- 3.6 Cooperate in expressing rights or requesting protection of intellectual property rights owned by the Company.
- 3.7 Report to the supervisor or an intellectual property supervisor when witnessing an infringement of rights or an act that may lead to a violation of intellectual property rights.
- 3.8 If copyrighted work or any other intellectual property arises due to the performance of the executives and employees, those copyright or intellectual property rights belong to the Company.
- 3.9 Personnel of the Company who have retired from being an employee must return the Company's intellectual property such as inventions, reports, commercial data, programs, processes, innovations in its possession entirety.

5. Code of Conduct for Executives and Employees

The Company has established corporate governance principles for executives (Executives Ethical Standard) and practices for employees (Best Practices for Employees), with severe penalties in the event of a breach and/or any action in a deliberately non-operating manner as follows:

Corporate Governance Principles for Senior Executives

1. Keep secrets from leaking and not disclose the Company's confidential information to third parties without authority.
2. Refrain from or avoid commenting on third parties or the media on the Company's matters without authority.
3. Do not seek unlawful interests, either directly or indirectly, and do not undertake or accept or support any form of corruption.
4. Do not conduct or get involved in any act or conceal any action in a manner that creates a conflict of interest, or they may lead to perform their duties unfairly or participate in the concealment of any illegal activity.
5. Do not request or receive items, gifts, gratuities, or hospitality worth more than Baht 3,000 (three thousand baht) per time. If cannot deny, disclose and deliver the thing to the Human Resources Department or assigned agencies.

6. Disclose the nature of personal relationships of oneself / spouse and close relatives according to the personal information disclosure form and submit to the Company Secretary.
7. Do not use and/or give any information or suggestion regarding the operations' details that result in any bidder gaining an advantage or disadvantage.

Code of Conduct for Employees

1. Perform duties with honesty, uprightness, responsibility, and prudence.
2. Perform duties with diligence as well as regularly seeking ways to develop and improve work.
3. Strengthen teamwork by cooperating help and support each other for the benefit of work.
4. Do not enter into any act or conceal any action that may have a conflict of interest with the Company or prevent them from performing their duties moderately or getting involved in covering offenses.
5. Supervisors should behave themselves to be respected by subordinates by acting as a good example.
6. Employees should treat their supervisors with respect and treat colleagues with kindness.
7. Do not use the Company's information obtained from performing duties for the wrongful benefit of oneself or others.
8. The Company's confidentiality must be kept by taking care not to leak its documents or news or reach unrelated persons, which may cause damage to the Company.
9. Do not request or accept items or any other benefit from other persons having duties or businesses related to the Company unless they should treat each other on traditional occasions or festivals.
10. Do nothing that causes damage to the image and reputation of the Company.
11. Notify relevant department and executives if any action is found wrongfully and unlawfully in the Company.

6. Code of Conduct to Stakeholders

The Company is committed to sustainable business development by developing a process to create and develop a responsibility concept to all stakeholders, such as shareholders, employees, customers, business partners, competitors, society, and the environment. Besides, the Company promotes and supports activities for society and the environment (CSR-After-Process) on an ongoing basis following the best practices below.

Responsibility to Shareholders

The Company is aware and attempts to make the shareholders' satisfaction by creating added value for the shareholders in the long term, and operate the business in a transparent manner as well as respect the rights and equality of all shareholders, whether management shareholders and non-management shareholders, Thai shareholders or foreign shareholders, major shareholders or minor shareholders to be treated equally as follows:

1. Perform duties with responsibility, caution, and honesty under reasonable judgment based on adequate and correct information. Have no interest, either directly or indirectly, and act in good faith for the Company's best interests. Do not act with a conflict of interest.
2. Adhere to the laws, objectives, and the Company's articles of association, the board and shareholders meeting resolutions. Perform under good corporate governance principles and code of business conduct.

3. Manage and supervise not to depreciate the Company's assets or wrongfully lost. Provide effective internal control and risk management systems.
4. Provide accurate, factual, and sufficient data, news, and the Company's information to make decisions to all shareholders equally and promptly.
5. Supervise directors, executives, and employees not to seek benefits for themselves and related parties by providing any Company information, which has not yet been made public. Disclose the Company's confidential information to third parties and or take any action in a manner that may create a conflict of interest.
6. Provide a channel for whistleblowing, dishonest acts, or complaints by covering website, post, and telecommunications. There is a process for responding to complaints, protecting complainants, including notifying the complainant's results of the action to the complainants systematically and fairly.
7. Arrange various information dissemination channels, including preparing the Company's website for shareholders to access information conveniently and organize information in easy-to-understand language.

Responsibility to Employees

The Company realizes that employees are a valuable resource and an essential factor in leading the organization to success and being the value organization. Therefore give importance to employees' fair treatment by adhering to the principle of equality and neutrality in terms of employment, compensation, appointment, transfer, capacity development, and moral development. The Company has set the following principles of treatment for employees:

1. The Company has measures to protect employees who provide information to the authorities in the event of illegal acts or breaking the Securities and Exchange Act, which they shall be saved. The Company shall not act unfairly, whether it is a change of position, job description, workplace, order suspension, threatening, interfering with work performance, and termination of employment due to causes of informing about illegal or unethical practices.
2. Abide by labor laws and various regulations involving employees strictly.
3. Treat employees with courtesy. Respect for individuality and the dignity of humanity according to the principles of international human rights.
4. Establish fair employment conditions for employees and allow them to receive appropriate compensation according to their potential.
5. Save the environment and organize a working system for employees to have safety in life, property, and good hygiene.
6. Give importance to employee development to train their skills and increase their potential by having thorough and consistent learning.
7. The Company provides a provident fund for its employees.
8. Listen to ideas and suggestions based on the employees' professional knowledge.
9. Refrain from any action that is not fair, which may impact the job security of the employee or threaten and put pressure on the employee's mental state.

10. Provide a channel for employees to complain if not being fair or providing clues about matters that may be illegal and have a corrective process, including systematic and appropriate protection for the complainants.
11. Prepare employee code of conduct as a guideline on their excellent work practices.
12. Arrange training for employees to educate them about the anti-corruption policy and practices.

Responsibility to Customers

The Company is determined to taking care of and being responsible for its customers by treating them with sincerity and meekness. Establish an agency or person to nurture customer relationships and seek ways to meet their needs more efficiently by setting practices as follows:

1. Sell quality certified products and meet the standards at fair prices. Do not trade undue profit.
2. Strictly comply with various conditions to customers. If any needs cannot be met, promptly notify customers to consider the solutions jointly.
3. Treat customers with courtesy, equality, and being trusted.
4. Provide accurate, adequate, and up-to-date information. Advise customers to know about products and services.
5. There is a system to store customer information securely and measures to maintain their confidentiality. Do not pass on information without consent and not use the customers' data for their own benefit and/or wrongful related persons.
6. Guarantee the product under the conditions of a reasonable period and adhere to the Consumer Protection Act.
7. There is a system/process that enables customers to express their opinions or make complaints about products and services, including proceeding for those involved to fix and informing customers of the results.
8. Provide a variety of product information channels so that customers can easily access the information.

Responsibility to Business Partners and/or Creditors

The Company has the policy to treat all business partners and/or creditors equitably and fairly, honestly, and not to take advantage, including performing following the contract. Provide truthful information and accurate report, with the following guidelines:

1. The Company provides business opportunities for all partners and the selection of trade partners is based on equality and fairness.
2. Executives or employees involved in the procurement, hiring, and services must disclose information and/or the nature of their relationships, spouse, and close relatives. Or have a personal relationship with one of the bidders that may result in no direct transparency in performing duties to show responsibility by not participating in the decision-making process.
3. Do not ask for gifts, gratuities, or entertainment, except on customary occasions. Refrain from giving them special affection that causes others to think that it may be injustice significantly misleading other traders and do not want to join the bid and may be used to notify to discredit the Company's image.
4. Make a fair contract and abide by the agreements with the business partners and/or creditors. If it is expected that this will not be possible, must quickly negotiate with business partners and/or creditors to find a solution and prevent it from being damaged.
5. Use goods and services that have valid copyrights, patents, and trademarks. Do not support products or actions that violate intellectual property.
6. Ignore any action that allows business partners and/or creditors not to pay the taxes they should pay to the state.

Responsibility to Competitors

The Company adheres to conduct business with fairness by considering the principles of ethics and complying with fair competition rules. Do not seek the confidential information of competitors through dishonest means or not suitable. Do not destroy the reputation of competitors by making malicious accusations. Do not enter into any agreements that restrict competition and cooperate in order to enhance the business potential for sustainable growth.

Responsibility to Communities and Society

The Company is committed to acting as an excellent corporate citizen in compliance with the law and related regulations strictly. Emphasize the awareness of community and social responsibility in the organization continuously. Take part in community activities and support activities that benefit the public and society.

Responsibility to Environment

The Company strictly complies with various laws and regulations that are related to the environment. Promote executives and employees to pay attention to activities and promote awareness of safety, occupational health, and the environment by providing measures to save energy and use resources efficiently and cost-effectively.

7. Code of Conduct for Investor Relations

The Company attaches importance to the performance of investor relations duties due to investor relations having a responsibility to communicate disclosure of information, news, and activities of the Company to the shareholders, individual and institutional investors, analysts, journalists, and government agencies involved as well as the general public correctly, adequately, transparent, thorough, timely and events that occur, including building confidence and enhancing the excellent image of the Company. In addition, it recognizes the importance of the Company's information, both financial and non-financial. All of which affect the decision of the shareholders and all stakeholders. Since giving importance to the disclosure of different information, the "Code of Conduct for Investor Relations" has been arranged for personnel of the investor relations unit, including personnel responsible for the disclosure of investor relations information to use it as a guideline for working correctly and appropriately. Promote the Company's investor relations operation based on ethical principles following the principles of good corporate governance and code of conduct by emphasizing disclosure of information, maintaining insider information, strictly complying with relevant laws and regulations, and upholding the interests of shareholders and all stakeholders as important.

Director, senior executives, investor relations, and all employees related to insider information and the Company's investor relations adhere to the "Code of Conduct for Investor Relations" strictly. The guidelines are as follows:

1. Disclosure of important and necessary information for investment decisions accurately, adequately, and timely
 - 1.1 Disclose important and necessary information for investment decisions or shareholders' benefits that is accurate, adequate, transparent, thorough, timely, and events that occur and follow the rules of relevant agencies such as the Office of the Securities and Exchange Commission of Thailand.
 - 1.2 Use discretion when giving information with caution and prudence. Refuse to provide any trade secrets or information that could disadvantage the Company or lose its competitive edge.
 - 1.3 Disclose information regularly and clearly with sufficient detail for understanding both positive and negative facts to avoid misunderstandings or misinterpretations.
 - 1.4 Do not disclose inaccurate information or information that is an estimation or prediction of an event before the information is disclosed to the public to drive the purchase of the Company's shares.

- 1.5 Clarify facts to the public within a reasonable time according to the regulations of the Stock Exchange of Thailand or relevant agencies if there are rumors, news leaks, causing discrepancies among stakeholders or know any information relating to the Company that may significantly affect investment decisions or affects the price or value of securities.
 - 1.6 Answer questions and doubts of shareholders, investors, analysts, and all stakeholders accurately, sufficiently, transparent, timely, and the events that occur.
 - 1.7 Do not provide damaging or malicious information to competitors or stakeholders.
 - 1.8 Determine channels for disclosing information or sources for equal acknowledgment through the company website (www.comseven.com/investor-relations/), Investor Relations Category, and through the information disclosure channel of the Stock Exchange of Thailand.
2. Keeping and Maintaining Insider Information
- 2.1 Maintain confidentiality. Do not disclose and use any of the Company's insider information that has not been revealed to the public to seek benefits for oneself and/or others until the information will disclose to the public according to the regulations.
 - 2.2 Comply with laws, rules, regulations, and the Company policies related to keeping accurate insider information. The critical information to the results of operations should be disclosed in the channels of the Stock Exchange of Thailand before revealing to any specific group of investors.
 - 2.3 Refrain from holding meetings or clarifying information, answering questions about operating results in the near future to investors, analysts, and all stakeholders at least two weeks before disclosing the Company's quarterly/annual financial statements (Quiet Period).
3. Disclosure of Information Equally and Fairly
- 3.1 Organize activities for different groups of stakeholders as appropriate To provide opportunities for each group of people to access information equally and fairly without causing any party to be disadvantaged or lose investment opportunities.
 - 3.2 Provide channels that allow all groups of stakeholders to access contact and ask questions as appropriate without discrimination to contact only one particular group. Must not infringe on individual rights as required by law or must obtain the consent of other persons first. Inquiries can be made via email at lr@comseven.com or call 02-017-7777 ext. 7710.
 - 3.3 Disclose information presented at group-specific meetings, such as Roadshow Presentation and Analyst Presentation, analyst or fund meetings through the Company's website after each session is completed for the public to know equally.
 - 3.4 Use caution when communicating information via social networks. If any issues that cause misunderstandings are found, it is necessary to clarify information through the SET's system for all parties involved to be aware of to prevent problems in providing information to a specific group.
 - 3.5 Treat each stakeholder group according to the following guidelines:
 - (1) Treatment of Investors
 - Treat all investors equally, whether large or small investors.
 - Provide individual investors with access to information on a par with analysts and institutional investors.
 - Do not discriminate against One-on-One Meetings with institutional investors or investors.
 - (2) Treatment of Analysts
 - Invite and give analysts from all securities companies the opportunity to attend the Analyst Meeting equally.
 - Do not give analysts anything in return or gifts to incentivize or persuade them to write an analysis for the Company and/or to write a positive comment only.
 - Respect the work and opinions of analysts. Able to clarify the correct facts if any inaccurate information is used or provided.

(3) Treatment of the Mass Media

- Provide opportunities for the mass media to receive information as appropriate, accurate, clear, and relevant to the point equally.
- Do not use the terms of doing business with the mass media by advertising so that the media to present news or give a favorable opinion to the Company.
- Do not give any information that will be released to the public or any particular mass media first.
- Do not give the mass media anything in return or gifts to motivate or convince them to write columns or news to the Company in the form of an untrue report.

(4) Treatment of Official Agencies

- Cooperate in providing necessary and appropriate information to the official agencies as requested.
- Do not give gifts to officials of government agencies to provide any assistance in a particular case.

(5) Treatment of Individuals within the Organization

- Organize activities for the Company's executives to meet with various stakeholder groups on the right occasion.
- Report to the Board of Directors and the management of various information that will help create added value for the organization, such as the results of investor relations activities, opinions from analysts and investors, information on capital market movements, etc.
- Communicate to employees in the organization to be aware of the Investor Relations Code of Conduct to have a guideline for doing the same as with investor relations.

(6) Treatment of Other Stakeholders

- Disclose information to other stakeholders accurately, adequately, timely, and equitably. If it is necessary to disclose data to conduct business, it must be carried out with caution under the conditions of confidentiality.

4. Performing Duties with Honesty

- 4.1 Perform investor relations duties with full knowledge and competence, responsibility, professionalism, and honesty in the profession. Behave based on principles of correctness and equality without discrimination on any personal motivation and favoring one's benefit or to any person or a particular group of persons more than the interests of the Company and related stakeholders.
- 4.2 Comply with laws, notifications, rules, and guidelines of relevant regulatory agencies such as the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), including the regulations and policies of the Company group strictly.
- 4.3 Refrain from trading in the Company's securities during blackout periods under the policy on non-public information and prevention of insider trading.
- 4.4 If aware of any violation of the "Investor Relations Code of Conduct," shall report any violations and their consequences without delay to the Head of Investor Relations and/or the Executive and/or the Board of Directors of the Company (as the case may be).

8. Ethics on Business Conduct

Anti-Corruption Policy

The Company is determined to conduct the business responsibly. Adhere to morality, ethics, and transparent management following the principles of good corporate governance and the Company's business philosophy. Therefore establish the policy for complaint, whistleblowing of misconduct and fraud, investigation, and data protection as a guideline.

Definitions

Corruption refers to "acting or omitting to perform in a position of duty or use the power in the position of duty in violation of the law, the Company's regulations or policies, including contrary to morality and ethics in order to exploit various forms, such as accepting, offering, giving assets, embezzlement, political aid, including any other benefits to government officials, private companies, any other person and related persons doing business with the Company and its subsidiaries, etc."

Related persons refer to spouses, children, parents, siblings/close relatives of directors, executives, and employees at all levels of the Company and its subsidiaries.

Four main forms of corruption are as follows:

- (1) Political Aid refers to offering assets and money as well as gifts, rights, or other benefits to help, support or benefit political parties in any way. It also applies to politicians or any person whose duty involves politics or political activities, either directly or indirectly.
- (2) Charitable contributions may pose a risk to the Company because such activities involve spending money with no tangible rewards. It can be used as an excuse or a route for corruption. In order not to allow charitable contributions to have a hidden purpose, the Company has set policies and guidelines on charitable donations, review process, and the control details as follows:
 - (2.1) Must prove that there is a real charitable project activity and the work is being done to support the success of the project objectives and causing real benefits to society.
 - (2.2) Must prove that charitable contributions do not involve a reciprocal benefit to any person or agency except according to standard custom such as attaching logo, the announcement of names at the venue or in the media for other publicity purposes, etc.
- (3) Sponsorships refer to money paid to or received by customers, partners for a business purpose. For example, it is beneficial to build a commercial trust or strengthen the business relationship as appropriate for the occasion. The Company has established policies and regulations on sponsorships, review process, and control details, including the evaluation that received as follows:
 - (3.1) Can prove that the applicant has performed activities following the program and it is the action to support the success of the project objectives and causing real benefits to society.
 - (3.2) Can prove that the grant or any other help that can be calculated as a monetary basis, such as accommodation and meals, does not involve any reciprocal benefit to any person or entity except for general business customs.
- (4) Gifts, Hospitality, and Expenses refer to any item of monetary value, such as a cash substitute, objects used in exchange for goods or services, such as gift vouchers, discount coupons, dining, and beverages, watching shows/sports, including travel expenses such as airfare, transportation, accommodation, etc.

Practice

- (1) Directors, executives, and employees at all levels must adhere to the anti-corruption policy and must not be involved in any form of corruption, either directly or indirectly.
- (2) Do nothing that indicates the intention that it is corruption. Give or receive bribes to all stakeholders in connection with the Company and its subsidiaries in matters in which he/she has the power to take responsibility both directly and indirectly to obtain benefits for the Company, oneself, and the people involved.
- (3) Management must be aware that the Company's business processes are exposed to bribery risks and corruption to manage risk assessments, including reviewing measures to prevent such troubles.
- (4) Action or performing any work that may have a risk of fraud or corruption and/or are contrary to the anti-corruption policy, employees at all levels, including subsidiaries, must practice in various matters carefully as follows:
 - (4.1) Giving and accepting gifts, gratuity, and entertainment must follow good corporate governance guidelines and code of business conduct, including policy on anti-corruption.
 - (4.2) Do not request or receive any assets, gifts, gratuities, or other benefits from customers, vendors, competitors, and any other person doing business with the Company, or entertainment that proves to be excessively reasonable, which induces an omission of duty.
 - (4.3) If necessary, take steps to ensure that it is legally compliant and items given to each other in that function should be of reasonable value except for gifts according to traditional festivals or regular business entertainment in order to exchange according to custom. If those things are worth more than 3,000 baht (three thousand baht only), the supervisor must be informed immediately.
 - (4.4) Business entertainment and other expenses related to the Company's business operations can be done at a reasonable cost. It must be performed under the Company's procedures and can be examined.
 - (4.5) Charitable giving to any organization must act on behalf of the Company and must be a reliable organization. It is intended for the benefit of society, not for business returns, with certificates and receipts. It also needs to be monitored and reviewed to ensure the donation is on purpose and has not been used as a bribery claim.
 - (4.6) Sponsorships to promote businesses, the Company's image, and its subsidiaries in the form of money, service, objects, or assets to any project or activity, the Company's name and subsidiaries' must be specified and perform with transparency, legality, and following the procedures set by the Company and can be checked.
- (5) The Company has set up a regular internal control system to prevent employees from improper conduct. In particular, sales, marketing, and procurement work must be carried out through the procedures following the Company's regulations with transparency and verifiability.
- (6) Provide regular training for employees at all levels on anti-bribery and corruption to be conscious of this policy. It shall be included as part of the employee orientation or before taking office of all the Company's new employees.
- (7) The supervisors at all levels are responsible for communicating and understanding with subordinates. Also, supervise to ensure that employees at all levels are skilled enough to properly implement this measure and approach in the activities they are responsible for and know the Company's expectations and the punishment for failing to comply with this policy.
- (8) Do not ignore or neglect when encountering actions considered to be fraud or corruption related to the Company and its subsidiaries. Notify the supervisor or the person in charge immediately through the whistleblowing channels or complaints specified in the policy, including cooperating in investigating facts.

- (9) The Company shall provide fairness and protect employees or any other person providing clues or evidence of fraud or corruption related to the Company and its subsidiaries, including employees who refuse to act by using measures to protect the complainant or those who cooperate in reporting fraud or corruption as set forth in the policy.
- (10) Those who commit fraud or corruption are considered offenses under the policy, which shall be subjected to disciplinary action and punished by law if it is illegal.
- (11) The Company shall regularly review the guidelines and operational measures to be in line with changing the law related to business conditions and good corporate governance.

Scope of Complaint and Whistle-Blowing

- (1) Dishonest acts involve the Company and its subsidiaries, directly or indirectly, for example, seeing individuals or employees in the Company bribing or accepting bribes, government officials, or private entities.
- (2) Acts that directly or indirectly damage the Company or affect the Company's reputation.
- (3) Violations of procedures following the Company's regulations and subsidiaries affecting the internal control system consider maybe a corrupt means.
- (4) Acts that are illegal, unethical and breaking code of business conduct.
- (5) Failure to receive fairness in performance

Question

All employees can require advice or clarification of any queries about the policy or any conduct that can be considered fraud or corruption by consulting the supervisor directly or the internal audit department or human resources department. If you are unsure whether the action is fraudulent or need to discuss before making a complaint, you can send an email to whistleblower@comseven.com.

Whistleblower Protection

- (1) **Fact-Finding Process:** The Company has set a channel for contacting and receiving complaints on the website, annual report, corporate governance, and in the Code of Conduct manual by defining a fast and systematic process of fact-finding consisting of:
 - (1.1) Sufficient clarification with details of evidence and complaints must be true and / or enough to investigate. The focal person shall consider submitting it to the investigation committee, which consists of the Internal Audit, Human Resources Department, section of a person receives complaints and section of a person making a report (an employee case) to expand its fact-finding.
 - (1.2) Whistleblowers or complainants are entitled to equal rights protection, whether it is an employee or a third party.
 - (1.3) The whistleblower or complainant may remain anonymous unless the whistleblower or complainant sees that disclosure will be useful and enable the Company to report the progress or able to request additional information in order to protect any future harassment.
- (2) **Process to Ensure Fairness:** Audit Committee and/or Chief Executive Officer must exercise discretion and order as deemed appropriate to protect the whistleblowers or complainants, witnesses, and persons providing information in the investigation of facts to not suffer any harm due to whistleblowing, complaining, witnessing, or delivering information. The report, address, or other information that can identify the complainant or informant shall be kept secret. The data is restricted to persons responsible for investigating complaints.

- (3) **Reporting Process:** The Investigation Committee is responsible to report the Fact-finding directly to Chief Executive Officer and/or Audit Committee and/or the Board of Directors based on each incident by reviewing the appropriate report prior to the presentation to authorized personnel under Investigation Committee as the following criteria:
- (3.1) Chief Executive Officer: concerning general management and under the supervision of Chief Executive Officer.
 - (3.2) Audit Committee: related with Corporate Governance Policy and/or an intentional act of fraud with serious impact.
 - (3.3) Board of Directors: the Audit Committee is of the opinion that the incident should be reported for information and/or to consider taking action on matters related to the Policy and Regulations and/or issues affect executives.
- (4) **Disciplinary Action and Result of Operations**
- (4.1) The punishment shall be in accordance with the Disciplinary action and/or legal requirements.
 - (4.2) In case, the reporter may be in contacted, the written result of the investigation process will be notified.
 - (4.3) If there will be any amendments, the committee leader will report to the authorized personnel.

Internal Control

The Audit Committee is directly responsible for overseeing the sound internal control system. Focus on establishing an internal control system consistent with the internal control framework according to international standards (The Committee of Sponsoring Organizations of the Tread way Commission (COSO)) covering essential work processes and activities. An internal audit department is responsible for inspecting the performance based on the risk base, including advising on establishing an adequate internal control system.

The Audit Committee is responsible for reviewing the audit plan, supervising, making recommendations for the operations, and considering the internal audit department's independence by approving the appointment, dismissal, transfer, and evaluating the head of the audit department.

Protect on the Use of Insider Information

The Company gives importance to the use of insider information, which is information in the operation and management of the business and to protect the case that directors and executives use it for the wrongdoing of themselves or others. Especially insider information that is not disclosed yet publicly or statement affects the organization's strategic plan, business operation, trade negotiation, and stock prices. It is taking advantage and causing damage to the shareholders as a whole. The Company sets the principles of good governance for executives and imposed heavy penalties in the event of a violation or does any action to deliberately not follow the principle of corporate governance for senior executives.

The Company establishes access to insider information for employees as appropriate with their duties and responsibilities and has set penalties in the work regulations.

9. Ensuring Adherence to Good Corporate Governance and Business Ethics

The Company sets it as the duties and responsibilities of all directors, executives, and employees, which must understand and strictly follow the policies set out in this Code of Conduct manual. It is not a voluntary practice and cannot reference that the established guidelines are not known.

Executives at all levels in the organization are responsible for ensuring that employees under their line of command acknowledge, understand, and strictly comply with the Code of Conduct.

The Board of Directors and the Audit Committee require a review of this manual "Code of Conduct" annually.

10. Whistleblowing and Complaint



Sealed Post

- Internal Audit Department, Com7 Public Company Limited
549/1 Sanphawut Road, Bangna Tai Subdistrict, Bangna District, Bangkok 10260.
- Company Secretary Office, Com7 Public Company Limited
549/1 Sanphawut Road, Bangna Tai Subdistrict, Bangna District, Bangkok 10260.



Email: whistleblower@comseven.com



Opinion Box of the Human Resources Department

Report of the Audit Committee



To Shareholders of Com7 Public Company Limited,

The Audit Committee of the Company comprises three independent directors, namely Mr. Siripong Sombatsiri, Chairman of the Audit Committee, Mr. Kashpol Chulajata, and Dr. Somboon Aueatchasai, Audit Committee, including Ms. Piyaporn Bandasak, the Head of Internal Audit, acts as the secretary of the Audit Committee. All audit committees have the qualification to meet the criteria set out in the Notification of the Securities and Exchange Commission of Thailand, with Mr. Siripong Sombatsiri, the Chairman of the Audit Committee, has knowledge and experience in accounting and finance. In this regard, the Audit Committee has performed its duties within the scope of duties and responsibilities under the Charter approved by the Board of Directors.

In the fiscal year 2021, the Audit Committee had arranged four meetings with the Management, Internal auditors, and the Auditor four times. The Audit Committee reported the results of its duties and recommendations to the Board of Directors quarterly, which can summarize the essence of performance as follows.

1. Accuracy and Reliability of Financial Reports : Review quarterly financial statements and financial statements for the year 2021 together with the Management and the Auditor to approve the financial reports, which has been correctly prepared as required in essence according to generally accepted accounting principles. Besides, the significant information disclosure, connected transactions, and transactions that might cause conflicts of interest are reviewed completely and reliably. There is also a discussion with the Auditors without the participation of Management to acknowledge the issues encountered from the auditing, as well as to consider and provide opinions on the audit results before proposing to the Board of Directors for consideration.

2. Internal Control and Audit Systems : Supervise the internal audit work to comply with professional standards by using the risk assessment method and the internal control system following the COSO - Internal Control Integrated Framework, as well as to consider and approve the annual audit plan, which prepared by considering various business risk factors, including the plans of manpower, human resources development, and operating budget. There was a recommendation in considering the audit report to both the Internal Audit and the Management for the benefit of continuous performance improvement.

3. Regulatory Compliance : Review the Company to comply with the law on Securities and Exchange, requirements of the Stock Exchange of Thailand, and other laws relating to the Company's business regularly. The Audit Committee is of the opinion that the transactions that the Company has to comply with the law on Securities and the Stock Exchange of Thailand and the relevant laws to the business that has been reviewed are adequate, also has urged the Management to follow up the essence of the Notification of the Securities and Exchange Act and related notification, including to report for information and consideration closely.

4. Anti-Corruption Compliance : Review the policy guidelines for the implementation of the Anti-Corruption policy, as well as conducting a risk assessment related to internal and external corruption. Besides, the Company has been certified as a member of Thai Private Sector Collective Action against Corruption (CAC) since November 5, 2018. For the year 2021, the Company was in the process of requesting a renewal of the Thai Private Sector Collective Action against Corruption (CAC) certification. The Audit Committee assures that the Company has adequate measures to combat and detect fraud and corruption effectively.

5. Disclosure of Information on Connected Transactions : Consider the connected transactions and their information disclosure in notes to the Annual and Quarterly Financial Statements, as well as giving independent opinions on the acquisition and disposition of assets in investing the major projects of the Company and its subsidiaries.

6. Selection and Nomination of the Auditors : Consider the auditors' performance in the past year and their remuneration from business knowledge, experience, appropriateness of compensation, and independence of the auditors, therefore, proposing the appointment of Mr. Boonreang Lertwisetwit CPA No. 6552, or Mr. Pongthawee Ratanakoses, CPA No. 7795, or Mr. Chaisiri Ruangritchai CPA No. 4526, or Mr. Wichian Kingmontri, CPA No. 3977 from PricewaterhouseCoopers ABAS Ltd. are the Company's auditor. It has been proposed to the Board of Directors and already approved at the 2021 Annual General Meeting of Shareholders.

7. Good Corporate Governance : Continuously promote and monitor the progress of Good Corporate Governance development and social responsibility. Give comments on the improvement of Good Corporate Governance policy, Corporate Sustainability Development policy, code of conduct, work practices, as well as providing guidance and advice necessary for the development. This year, the Company is ranked with a 5-star rating (Excellent) from the 2021 Corporate Governance Report of Thai Listed Companies by SET and the Thai Institute of Directors Association. In 2021, the Company was in the process of requesting a renewal of the Thai Private Sector Collective Action against Corruption (CAC) certification. The Company was also selected to be on the list "Sustainable Stocks" or Thailand Sustainability Investment (THSI) of the Stock Exchange of Thailand for the year 2021. The Company is determined to develop the process of good corporate governance, taking into account all stakeholders for businesses to have economic growth and social and environmental development in balance.

8. Risk Management : Supervise to provide systematic risk management and regularly acknowledge reports of risk management results, including making suggestions for improvements and for risk perspectives.

According to the 2021 Audit Committee's Self-Assessment on February 25, 2022, the Audit Committee has reviewed the overall performance of duties, preparation of financial statements, internal control, risk management, implementation of the laws related to the Company's business, selection & nomination of the auditors, consideration of connected transactions or transactions that may lead to conflicts of interest, and preparation of the Audit Committee's Report. In which the overall assessment results conclude that has completed its work.

The Audit Committee deems that the Company has appropriate and reliable processes for preparing and disclosing information in financial reports, as well as having adequate risk management and internal control systems. There is continuous development to support the Company to have sustainable Good Corporate Governance.



(Mr. Siripong Sombatsiri)

Chairman of the Audit Committee

Financial Status and Performance

Financial Highlights

Audit Summary Report

Period	Auditor	Audit Summary Report
For the year ended 31 December 2019	Mr. Pongthavee Ratanakoses, Certified Public Accountant No. 7795 from PricewaterhouseCoopers ABAS Co., Ltd., an auditor approved by the SEC.	The auditor conducted the audit under generally accepted auditing standards and commented that the audited financial statements show the financial position, performance, and the Company's cash flow are correct as it should, in essence, under generally accepted accounting principles.
For the year ended 31 December 2020	Mr. Pongthavee Ratanakoses, Certified Public Accountant No. 7795 from PricewaterhouseCoopers ABAS Co., Ltd., an auditor approved by the SEC.	The auditor conducted the audit under generally accepted auditing standards and commented that the audited financial statements show the financial position, performance, and the Company's cash flow are correct as it should, in essence, under generally accepted accounting principles.
For the year ended 31 December 2021	Mr. Pongthavee Ratanakoses, Certified Public Accountant No. 7795 from PricewaterhouseCoopers ABAS Co., Ltd., an auditor approved by the SEC.	The auditor conducted the audit under generally accepted auditing standards and commented that the audited financial statements show the financial position, performance, and the Company's cash flow are correct as it should, in essence, under generally accepted accounting principles.

Summary of Financial Statements

Consolidated Statement of Comprehensive Income of Com7 Public Company Limited and its Subsidiaries

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
<u>Revenues</u>						
Revenue from sales and rendering of services	51,126,442,939	99.8%	37,306,107,513	99.6%	33,362,462,790	99.8%
Other income - Net	28,217,786	0.0%	46,791,138	0.1%	27,730,077	0.1%
Share of profit from investments in associates and joint ventures	96,476,077	0.2%	101,005,005	0.3%	38,576,703	0.1%
Total Revenues	51,251,136,802	100.0%	37,453,903,656	100.0%	33,428,769,570	100.0%

Consolidated Statement of Comprehensive Income of Com7 Public Company Limited and its Subsidiaries (Continued)

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
<u>Expenses</u>						
Cost of sales and rendering of services	(44,280,503,258)	(86.4%)	(32,595,897,570)	(87.0%)	(28,946,224,663)	(86.6%)
Selling expenses	(2,913,534,808)	(5.7%)	(2,347,582,653)	(6.3%)	(2,381,084,301)	(7.1%)
Administrative expenses	(847,944,845)	(1.6%)	(638,480,835)	(1.7%)	(543,772,337)	(1.6%)
Gain (loss) on exchange rate - Net	21,925,962	0.0%	4,298,058	0.0%	(704,362)	0.0%
Total Expenses	(48,020,056,949)	(93.7%)	(35,577,663,000)	(95.0%)	(31,871,785,663)	(95.3%)
Profit before finance costs and income tax expenses	3,231,079,853	6.3%	1,876,240,656	5.0%	1,556,983,907	4.7%
Financial costs	(47,885,240)	(0.1%)	(53,147,096)	(0.1%)	(52,450,757)	(0.2%)
Profit before income tax expenses	3,183,194,613	6.2%	1,823,093,560	4.9%	1,504,533,150	4.5%
Income tax expenses	(554,710,859)	(1.1%)	(328,237,513)	(0.9%)	(288,734,104)	(0.9%)
Profit for the year	<u>2,628,483,754</u>	5.1%	<u>1,494,856,047</u>	4.0%	<u>1,215,799,046</u>	3.6%
<u>Other Comprehensive Income:</u>						
Items not to be reclassified to profit or loss in subsequent periods Remeasurement of the post-employment benefit obligations	-		(9,758,925)		(16,852,255)	
Income tax on items not to be reclassified to profit or loss in subsequent periods	-		1,951,785		3,370,450	
Share of other comprehensive income of associates and joint ventures (equity method)	952,789		(840,619)		-	
Items to be reclassified to profit or loss in subsequent periods Share of other comprehensive income of associates and joint ventures (equity method)	1,223,729		(14,799,778)		-	
Other Comprehensive Income for the Year - Net of Tax	2,176,518		(23,447,537)		(13,481,805)	
Total Comprehensive Income for the Year	<u>2,630,660,272</u>		<u>1,471,408,510</u>		<u>1,202,317,241</u>	
<u>Profit Sharing (Loss):</u>						
Owners of the parent company	2,630,392,186		1,490,681,664		1,216,323,139	
Non-controlling interests	(1,908,432)		4,174,383		(524,093)	
Total	<u>2,628,483,754</u>		<u>1,494,856,047</u>		<u>1,215,799,046</u>	

Consolidated Statement of Comprehensive Income of Com7 Public Company Limited and its Subsidiaries (Continued)

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
Total comprehensive income (expense) attributable to						
Owners of the parent company	2,632,568,704		1,467,234,127		1,202,979,819	
Non-controlling interests	(1,908,432)		4,174,383		(662,578)	
Total	<u>2,630,660,272</u>		<u>1,471,408,510</u>		<u>1,202,317,241</u>	
Earnings Per Share						
Basic earnings per share (Baht)	2.19		1.24		1.01	

Statement of Comprehensive Income of Com7 Public Company Limited

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
Revenues						
Revenue from sales and rendering of services	49,931,662,963	99.5%	36,383,242,484	99.3%	32,677,960,929	99.8%
Other income - Net	249,357,236	0.5%	261,677,826	0.7%	67,399,320	0.2%
Total Revenues	50,181,020,199	100.0%	36,644,920,310	100.0%	32,745,360,249	100.0%
Expenses						
Cost of sales and rendering of services	(43,582,919,955)	(86.9%)	(31,960,738,943)	(87.2%)	(28,524,327,164)	(87.1%)
Selling expenses	(2,980,737,445)	(5.9%)	(2,362,620,488)	(6.4%)	(2,382,682,705)	(7.3%)
Administrative expenses	(724,988,184)	(1.4%)	(576,382,544)	(1.6%)	(490,174,208)	(1.5%)
Gain (loss) on exchange rate - Net	21,942,350	0.0%	4,489,901	0.0%	(116,647)	0.0%
Total Expenses	(47,266,703,234)	(94.2%)	(34,895,252,074)	(95.2%)	(31,397,300,724)	(95.9%)
Profit before Financial Costs and Income Tax Expenses	2,914,316,965	5.8%	1,749,668,236	4.8%	1,348,059,525	4.1%
Financial costs	(46,097,432)	(0.1%)	(53,781,047)	(0.1%)	(54,324,927)	(0.2%)
Profit before Income Tax Expenses	2,868,219,533	5.7%	1,695,887,189	4.6%	1,293,734,598	4.0%
Income tax expenses	(508,823,121)	(1.0%)	(288,871,359)	(0.8%)	(249,818,492)	(0.8%)
Profit for the Year	<u>2,359,396,412</u>	4.7%	<u>1,407,015,830</u>	3.8%	<u>1,043,916,106</u>	3.2%
Other Comprehensive Income:						
Items not to be reclassified to profit or loss in subsequent periods Remeasurement of the post-employment benefit obligations	-		(9,163,881)		(16,175,211)	
Income tax on items not to be reclassified to profit or loss in subsequent periods	-		1,832,776		3,235,042	

Statement of Comprehensive Income of Com7 Public Company Limited (Continued)

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
Other Comprehensive Income for the Year - Net of Tax	-		(7,331,105)		(12,940,169)	
Other Comprehensive Income for the Year	<u>2,359,396,412</u>		<u>1,399,684,725</u>		<u>1,030,975,937</u>	
<u>Profit Sharing (Loss):</u>						
Owners of the parent company	2,359,396,412		1,407,015,830		1,043,916,106	
Non-controlling interests	-		-		-	
Total	<u>2,359,396,412</u>		<u>1,407,015,830</u>		<u>1,043,916,106</u>	
Total comprehensive income (expense) attributable to						
Owners of the parent company	2,359,396,412		1,399,684,725		1,030,975,937	
Non-controlling interests	-		-		-	
Total	<u>2,359,396,412</u>		<u>1,399,684,725</u>		<u>1,030,975,937</u>	
Earnings Per Share						
Basic earnings per share (Baht)	1.97		1.17		0.87	

Consolidated Statement of Financial Position of Com7 Public Company Limited and its Subsidiaries

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
<u>Assets</u>						
<u>Current Assets</u>						
Cash and cash equivalents	1,656,882,222	10.4%	872,146,450	9.5%	1,304,048,571	14.2%
Financial assets are measured at fair value through profit or loss	193,691,951	1.2%	249,229,759	2.7%	-	0.0%
Trade accounts and other receivables-Net	2,707,270,470	16.9%	864,303,332	9.4%	925,820,655	10.1%
Trade receivables under finance lease agreements due within one year	462,458,325	2.9%	37,643,598	0.4%	11,907,984	0.1%
Contract assets	78,349,427	0.5%	105,807,769	1.1%	-	0.0%
Short-term loans to related parties	306,316,304	1.9%	6,416,304	0.1%	50,000,000	0.6%
Inventories - Net	6,207,899,899	38.9%	3,664,401,153	39.8%	4,819,464,888	52.6%
Leasehold rights due within one year	-	-	-	0.0%	18,461,560	0.2%
Other current assets	273,289,301	1.7%	60,718,256	0.7%	87,075,932	1.0%
Total Current Assets	11,886,157,899	74.4%	5,860,666,621	63.7%	7,216,779,590	78.8%

Consolidated Statement of Financial Position of Com7 Public Company Limited and its Subsidiaries (continued)

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
<u>Non-Current Assets</u>						
Other receivables - Net	237,235,285	1.5%	-	0.0%	962,903	0.0%
Restricted financial institution deposits	1,414,578	0.0%	2,422,757	0.0%	-	0.0%
Trade receivables under finance lease agreements	97,398,903	0.6%	48,147,599	0.5%	36,315,523	0.4%
Investments in subsidiaries	-	0.0%	-	0.0%	-	0.0%
Investments in associates and joint ventures	773,666,424	4.8%	675,013,828	7.3%	513,183,358	5.6%
Financial assets at fair value through profit or loss	180,000,000	1.1%	-	-	-	-
Property, plant and equipment - Net	614,919,099	3.9%	505,707,356	5.5%	531,953,021	5.8%
Right-of-use assets - Net	1,186,340,243	7.4%	1,265,214,211	13.7%	-	0.0%
Goodwill - Net	123,691,216	0.8%	123,691,216	1.4%	122,530,326	1.3%
Intangible assets - Net	173,661,862	1.1%	158,585,059	1.7%	128,042,934	1.4%
Leasehold right - Net	-	0.0%	-	0.0%	113,041,424	1.2%
Deferred tax assets	107,740,953	0.7%	70,794,936	0.8%	61,549,938	0.7%
Other non-current assets	583,513,010	3.7%	496,474,447	5.4%	435,315,047	4.8%
Total Non-Current Assets	4,079,581,573	25.6%	3,346,051,409	36.3%	1,942,894,474	21.2%
Total Assets	15,965,739,472	100.0%	9,206,718,030	100.0%	9,159,674,064	100.0%
<u>Liabilities and Owner's Equity</u>						
<u>Current Liabilities</u>						
Bank overdrafts and loans						
Short-term from financial Institutions	3,800,990,825	23.8%	1,282,509,647	13.9%	2,138,503,355	23.3%
Liabilities under lease agreement						
due within one year	524,664,097	3.3%	498,115,529	5.4%	7,904,273	0.1%
Trade accounts and other payables	5,105,791,469	32.0%	2,464,340,173	26.8%	3,348,583,281	36.6%
Income tax payable	288,683,043	1.8%	166,547,437	1.8%	113,824,889	1.2%
Other current liabilities	30,905,910	0.2%	18,380,714	0.2%	20,425,872	0.2%
Total Current Liabilities	9,751,035,344	61.1%	4,429,893,500	48.1%	5,629,241,670	61.4%

Consolidated Statement of Financial Position of Com7 Public Company Limited and its Subsidiaries (continued)

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
<u>Non-Current Liabilities</u>						
Lease liabilities	677,402,910	4.2%	707,633,378	7.7%	5,227,189	0.1%
Employee benefit obligations	102,722,318	0.6%	88,602,555	1.0%	63,896,338	0.7%
Provision for the decommissioning of fixed assets	23,648,000	0.2%	22,176,000	0.2%	19,136,000	0.2%
Other non-current liabilities	110,180,545	0.7%	87,584,027	1.0%	66,016,054	0.7%
Total Non-Current Liabilities	913,953,773	5.7%	905,995,960	9.9%	154,275,581	1.7%
Total Liabilities	10,664,989,117	66.8%	5,335,889,460	58.0%	5,783,517,251	63.1%
<u>Owner's Equity</u>						
Share capital						
Registered capital						
1,200,000,000 ordinary shares						
at a par value of 0.25 baht each	300,000,000	1.9%	300,000,000	3.3%	300,000,000	3.3%
Issued and paid-up capital						
1,200,000,000 ordinary shares						
fully paid up , 0.25 baht per share	300,000,000	1.9%	300,000,000	3.3%	300,000,000	3.3%
Share premium	898,760,685	5.6%	898,760,685	9.8%	898,760,685	9.8%
Retained earnings						
Appropriated - Statutory reserve	30,000,000	0.2%	30,000,000	0.3%	30,000,000	0.4%
Unappropriated	4,069,677,849	25.5%	2,638,332,874	28.6%	2,145,030,523	23.4%
Other components of owner's equity	(13,576,049)	(0.1%)	(14,799,778)	(0.2%)	-	0.0%
Total Owner's Equity of the Parent Company	5,284,862,485	33.1%	3,852,293,781	41.8%	3,373,791,208	36.9%
Non-controlling interests	15,887,870	0.1%	18,534,789	0.2%	2,365,605	0.0%
Total Owner's Equity	5,300,750,355	33.2%	3,870,828,570	42.0%	3,376,156,813	36.9%
Total Liabilities and Owner's Equity	15,965,739,472	100%	9,206,718,030	100.0%	9,159,674,064	100.0%

Separate Statement of Financial Position of Com7 Public Company Limited

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
<u>Assets</u>						
<u>Current Assets</u>						
Cash and cash equivalents	1,138,686,887	7.5%	706,490,983	8.1%	1,234,089,661	13.9%
Financial assets are measured at fair value through profit or loss	156,855,506	1.0%	187,209,909	2.1%	-	0.0%
Trade and other receivables-Net	2,250,704,067	14.9%	812,581,955	9.3%	792,039,429	8.9%
Trade receivables under finance lease agreements due within one year	12,993,106	0.0%	12,524,067	0.1%	11,907,984	0.1%
Short-term loans to related parties	1,200,000,000	7.9%	-	0.0%	175,000,000	2.0%
Inventories - Net	5,749,330,992	38.0%	3,641,679,200	41.5%	4,816,586,937	54.3%
Leasehold rights due within one year	-	0.0%	-	0.0%	18,461,560	0.2%
Other current assets	206,500,643	1.4%	43,911,113	0.5%	82,676,255	0.9%
Total Current Assets	10,715,071,201	70.7%	5,404,397,227	61.6%	7,130,761,826	80.3%
<u>Non-Current Assets</u>						
Other receivables - Net	237,235,285	1.6%	-	0.0%	962,903	0.0%
Trade receivables under finance lease agreements	11,163,679	0.1%	24,317,984	0.3%	36,315,523	0.4%
Investments in subsidiaries	988,834,366	6.5%	302,547,066	3.5%	22,835,366	0.2%
Investments in associates and joint ventures	593,575,203	3.9%	593,575,203	6.8%	449,750,203	5.1%
Property, plant, and equipment - Net	613,630,692	4.1%	504,242,353	5.8%	531,377,226	6.0%
Right-of-use assets - Net	1,178,255,234	7.8%	1,256,726,103	14.3%	-	0.0%
Goodwill - Net	45,655,040	0.3%	45,655,040	0.5%	45,655,040	0.5%
Intangible assets - Net	97,215,552	0.6%	78,259,973	0.9%	61,237,246	0.7%
Leasehold right - Net	-	0.0%	-	0.0%	113,041,424	1.3%
Deferred tax asset	105,773,863	0.7%	82,863,427	0.9%	68,868,803	0.8%
Other non-current assets	559,515,746	3.7%	475,241,034	5.4%	418,036,614	4.7%
Total Non-Current Assets	4,430,854,660	29.3%	3,363,428,183	38.4%	1,748,080,348	19.7%
Total Assets	15,145,925,861	100.0%	8,767,825,410	100.0%	8,878,842,174	100.0%

Separate Statement of Financial Position of Com7 Public Company Limited (continued)

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
<u>Liabilities and Owner's Equity</u>						
<u>Current Liabilities</u>						
Bank overdrafts and loans						
Short-term from financial institutions	3,754,095,570	24.8%	1,219,568,773	13.9%	2,138,503,355	24.1%
Liabilities under lease agreement						
due within one year	518,734,640	3.4%	492,600,864	5.6%	7,904,273	0.1%
Trade accounts and other payables	4,704,009,654	31.1%	2,160,494,834	24.6%	3,179,423,605	35.8%
Short-term loans from related companies	325,000,000	2.1%	338,000,000	3.9%	210,000,000	2.4%
Deferred Tax Asset	266,818,172	1.8%	158,390,159	1.8%	97,438,340	1.1%
Other Current Liabilities	28,133,707	0.2%	15,104,440	0.2%	14,403,057	0.1%
Total Current Liabilities	9,596,791,743	63.4%	4,384,159,070	50.0%	5,647,672,630	63.6%
<u>Non-Current Liabilities</u>						
Liabilities under lease agreement	674,547,786	4.4%	704,805,488	8.0%	5,227,189	0.1%
Employee benefit obligations	88,623,904	0.6%	76,303,353	0.9%	58,945,999	0.7%
Provision for the decommissioning of fixed assets	23,648,000	0.2%	22,176,000	0.3%	19,136,000	0.2%
Other non-current liabilities	110,120,543	0.7%	87,584,026	1.0%	66,016,054	0.7%
Total Non-Current Liabilities	896,940,233	5.9%	890,868,867	10.2%	149,325,242	1.7%
Total Liabilities	10,493,731,976	69.3%	5,275,027,937	60.2%	5,796,997,872	65.3%

Separate Statement of Financial Position of Com7 Public Company Limited (continued)

Items	2021 (Audited)		2020 (Audited)		2019 (Audited)	
	Baht	%	Baht	%	Baht	%
<u>Owner's Equity</u>						
Share Capital						
Registered capital						
1,200,000,000 ordinary shares						
at a par value of 0.25 baht each	300,000,000	2.0%	300,000,000	3.4%	300,000,000	3.4%
Issued and paid-up capital						
1,200,000,000 ordinary shares						
fully paid up , 0.25 baht per share	300,000,000	2.0%	300,000,000	3.4%	300,000,000	3.4%
Share premium	898,760,685	5.9%	898,760,685	10.3%	898,760,685	10.1%
Retained earnings						
Appropriated - Statutory reserve	30,000,000	0.2%	30,000,000	0.3%	30,000,000	0.3%
Unappropriated	3,423,433,200	22.6%	2,264,036,788	25.8%	1,853,083,617	20.9%
Total Owner's Equity of the Parent Company	4,652,193,885	30.7%	3,492,797,473	39.8%	3,081,844,302	34.7%
Total Owner's Equity	4,652,193,885	30.7%	3,492,797,473	39.8%	3,081,844,302	34.7%
Total Liabilities and Owner's Equity	15,145,925,861	100.0%	8,767,825,410	100.0%	8,878,842,174	100.0%

Consolidated Statement of Cash Flows of Com7 Public Company Limited and its Subsidiaries

Items	2021 (Audited)	2020 (Audited)	2019 (Audited)
	Baht	Baht	Baht
Cash Flows from Operating Activities			
Profit before Income Tax Expenses	3,183,194,613	1,823,093,560	1,504,533,150
Depreciation	182,781,793	167,082,815	170,522,414
Depreciation - Right-of-use asset	592,526,026	452,567,843	-
Amortization - Intangible assets	12,168,016	10,377,704	8,066,404
Amortization - Leasehold rights	-	-	21,320,352
Allowance for loss, trade receivables	65,705,812	2,964,215	3,704,888

Consolidated Statement of Cash Flows of Com7 Public Company Limited and its Subsidiaries (Continued)

Items	2021 (Audited)	2020 (Audited)	2019 (Audited)
	Baht	Baht	Baht
Bad debts	-	2,959,676	-
(Reversal) Allowance for slow-moving inventories and having a higher cost than the net realizable value	11,666,999	(6,510,663)	9,215,907
Employee benefit expenses	14,119,763	8,805,374	13,258,306
Loss from the disposal of investments in joint ventures	-	-	-
(Gain) Loss on disposal of plant and equipment	(259,701)	3,733,227	(1,195,253)
Loss on write-off of plant and equipment	4,750,395	5,934,493	11,199,220
Loss on write-off of intangible assets	162,241	-	16,029
Loss on write-off of leasehold rights	-	-	2,577,000
Loss from impairment of subsidiaries	-	-	-
Loss on write-off of right-of-use assets	363,806	1,045,861	-
Write-off profits from asset sales and leaseback	(639,332)	(1,539,512)	(1,598,311)
Impairment of plant and equipment	2,724,536	7,419,204	3,252,307
Impairment of intangible assets	-	1,353,626	3,979,422
Gain from the rental fee discount	(144,963,735)	(5,671,211)	-
Gain from financial assets are measured by fair value through profit or loss	(126,028)	(1,229,760)	-
Gain from disposal of financial assets at fair value through profit or loss	(4,336,646)	-	-
Share of profit from investments in associates and joint ventures	(96,476,077)	(63,912,397)	(38,576,703)
Gain from the acquisition of joint venture lower than a fair value	-	(37,092,608)	-
Gain from changes in investment proportion in associates	-	(1,449,174)	-
Gain from changes in shareholding in subsidiaries	163,615	-	(250,504)
Loss from the disposal of investments in subsidiaries	-	1,076,513	-
(Reversal) Impairment of investments in subsidiaries	-	-	-
Interest income	(5,312,302)	(5,284,928)	(7,831,655)
Dividend income	-	-	-
Financial cost	47,885,240	53,147,096	52,450,757

Consolidated Statement of Cash Flows of Com7 Public Company Limited and its Subsidiaries (continued)

Items	2021 (Audited)	2020 (Audited)	2019 (Audited)
	Baht	Baht	Baht
Change in Working Capital			
Trade accounts and other receivables	(2,076,318,047)	203,519,747	(35,866,660)
Trade receivable under finance lease agreements	(512,099,724)	(17,794,630)	(23,319,949)
Contract assets	27,458,342	(105,807,769)	-
Inventories	(2,555,165,743)	1,161,574,397	(993,504,043)
Other current assets	(257,511,276)	29,672,967	(33,171,059)
Other non-current assets	(91,778,493)	(57,881,351)	(59,365,258)
Trade Accounts and other receivables	2,634,447,453	(995,944,020)	436,408,976
Other current liabilities	12,525,196	(5,058,271)	(10,376,350)
Other non-current liabilities	23,235,850	23,107,486	21,799,972
Cash Flows from Operations			
Cash from operating activities	1,070,892,592	2,654,259,510	1,057,249,359
Pay financial cost	(45,848,034)	(55,366,011)	(51,309,744)
Pay income tax	(465,236,424)	(290,519,607)	(279,703,315)
Net cash received from operating activities	559,808,134	2,308,373,892	726,236,300
Cash Flows from Investing Activities			
Restricted financial institution deposits	1,008,179	7,985,723	-
Cash paid for buying businesses	-	-	-
Cash paid for the investment in financial assets measured at fair value through profit or loss	(119,999,518)	(248,000,000)	-
Cash paid for the investments in associates and joint ventures	-	(143,825,000)	(122,500,209)
Cash paid for the investment in subsidiaries	-	(15,299,400)	-
Receipt from investments of an indirect subsidiary	12,500,100	-	-
Cash paid for accepting business transfers from subsidiaries indirectly	-	-	-
Cash paid for the decommissioning of fixed assets	(774,058)	(1,312,000)	(698,839)

Consolidated Statement of Cash Flows of Com7 Public Company Limited and its Subsidiaries (continued)

Items	2021 (Audited)	2020 (Audited)	2019 (Audited)
	Baht	Baht	Baht
Cash paid for purchase of plant and equipment	(297,676,273)	(212,856,607)	(167,369,978)
Cash paid for purchase of intangible assets	(27,407,060)	(25,255,126)	(7,091,923)
Cash paid for leasehold rights	-	-	(600,000)
Cash paid for right-of-use assets	(3,912,371)	(2,826,861)	-
Receipt from loan to a director	100,000	-	-
Cash received from short-term loans to associates and joint ventures	-	50,000,000	40,000,000
Cash received from short-term loans to subsidiaries	-	-	-
Cash paid for short-term loans to associates and joint ventures	(300,000,000)	-	(90,000,000)
Cash paid for short-term loans to subsidiaries	-	-	-
Cash received from disposal of plant and equipment	2,288,411	1,506,859	2,029,402
Cash received from other receivables from disposal of non-current assets held for sale	-	-	-
Cash received from disposal of investments in joint ventures	-	-	-
Disposal of investment in subsidiaries	-	(282,141)	-
Dividend income	-	68,808,312	-
Interest income	18,696,034	5,413,051	7,459,079
Net cash used in investing activities	(715,176,556)	(515,943,190)	(338,772,468)
Cash Flows from Financing Activities			
Net cash from short-term loans from financial institutions	2,518,481,178	(908,145,088)	463,698,993
Cash received from short-term loans from subsidiaries	-	-	-
Cash received from short-term loans of directors	-	4,080,000	-
Cash repayment of short-term loans from subsidiaries	-	-	-
Cash repayment of long-term loans from financial institutions	-	-	-
Cash repayment of short-term loans from directors	-	(4,080,000)	-
Cash repayment of liabilities under lease agreements	(366,457,958)	(356,268,521)	(14,008,000)
Cash received from sales and leaseback	-	-	10,339,453

Consolidated Statement of Cash Flows of Com7 Public Company Limited and its Subsidiaries (continued)

Items	2021 (Audited)	2020 (Audited)	2019 (Audited)
	Baht	Baht	Baht
Cash received from non-controlling interests from the disposal of investments in subsidiaries	-	-	-
Cash paid for non-controlling interests to acquire investment in subsidiaries	(13,402,203)	-	(2,441,481)
Dividends paid	(1,198,516,823)	(959,919,214)	(599,964,955)
Net cash received (used) in financing activities	940,104,194	(2,224,332,823)	(142,375,990)
Cash and cash equivalents increase (decrease)	784,735,772	(431,902,121)	245,087,842
Cash and cash equivalents beginning of the year	872,146,450	1,304,048,571	1,058,960,729
Cash and cash equivalents end of the year	1,656,882,222	872,146,450	1,304,048,571
Additional cash flow information			
Additional cash flow information includes the following details:			
Acquisition of the right-of-use assets under lease agreements	543,623,716	359,599,206	5,169,727
Gain awaiting the realization on sale and leaseback of assets under finance lease agreements	-	-	1,120,863
Purchase of unpaid plant and equipment	818,845	5,834,248	12,389,477
Disposal of unpaid non-current assets	-	-	-
Provision for the decommissioning of fixed assets	3,456,000	4,352,000	6,496,000

Statement of Cash Flows of Com7 Public Company Limited

Items	2021 (Audited)	2020 (Audited)	2019 (Audited)
	Baht	Baht	Baht
Cash Flows from Operating Activities			
Profit before income tax expenses	2,868,219,533	1,695,887,189	1,293,734,598
Depreciation	181,927,586	166,175,675	169,781,790
Depreciation - Right-of-use asset	585,429,040	449,983,070	-
Amortization - Intangible assets	6,576,267	4,915,604	4,709,185
Amortization - Leasehold rights	-	-	21,320,352
Allowance for loss, Trade receivables	27,996,481	2,107,846	3,709,888
Bad debts	-	2,959,676	-
(Reversal) Allowance for slow-moving inventories and having a higher cost than the net realizable value	9,220,692	(7,831,152)	9,215,907
Employee benefit expenses	12,320,551	8,193,473	12,589,021
(Gain) loss on disposal of plant and equipment	(259,701)	3,675,980	(1,195,253)
Loss on write-off of plant and equipment	4,750,385	5,934,493	7,370,027
Loss from write-off intangible assets	162,241	-	-
Loss on write-off of leasehold rights	-	-	-
Loss from impairment of subsidiaries	-	-	-
Loss on write-off of right-of-use assets	363,806	1,045,861	-
Write-off profits from asset sales and leaseback	(639,332)	(1,539,512)	(1,598,311)
Impairment of plant and equipment	2,724,536	7,419,204	2,861,622
Gain from the rental fee discount	(144,963,735)	(5,671,211)	-
Gain from financial assets are measured by fair value through profit or loss	(125,601)	(1,209,909)	-
Gain from disposal of financial assets at fair value through profit or loss	(3,680,070)	-	-
(Reversal) Impairment of investments in subsidiaries	-	(276,100)	-
Interest income	(7,881,668)	(5,616,669)	(12,639,356)
Dividend income	(219,986,800)	(218,799,312)	(29,998,200)
Financial cost	46,097,432	53,781,047	54,324,927

Statement of Cash Flows of Com7 Public Company Limited (continued)

Items	2021 (Audited)	2020 (Audited)	2019 (Audited)
	Baht	Baht	Baht
Change in Working Capital			
Trade accounts and other receivables	(1,657,428,664)	(28,880,678)	48,089,967
Trade receivable under finance lease agreements	12,685,266	11,381,456	(23,319,949)
Inventories	(2,116,872,484)	1,182,738,889	(990,599,485)
Other current assets	(207,529,757)	38,765,142	(35,866,392)
Other non-current assets	(84,729,798)	(60,307,691)	(63,826,108)
Trade and other payables	2,538,143,216	(1,014,864,041)	466,985,543
Other current liabilities	13,029,267	701,383	(5,003,741)
Other non-current liabilities	23,175,848	23,107,484	21,916,472
Cash Flows from Operations			
Cash from operating activities	1,888,724,537	2,313,777,197	952,562,504
Pay financial cost	(45,692,467)	(54,736,058)	(51,502,165)
Pay income tax	(423,305,541)	(240,081,387)	(250,912,935)
Net cash received from operating activities	1,419,726,529	2,018,959,752	650,147,404

Statement of Cash Flows of Com7 Public Company Limited (continued)

Items	2021 (Audited)	2020 (Audited)	2019 (Audited)
	Baht	Baht	Baht
Cash Flows from Investing Activities			
Restricted financial institution deposits	-	-	-
Cash paid for buying businesses	-	-	-
Cash paid for the investment in financial assets measured at fair value through profit or loss	34,160,074	(186,000,000)	-
Cash paid for the investments in associates and joint ventures	-	(143,825,000)	(122,500,209)
Cash paid for the investment in subsidiaries	(686,287,300)	(284,999,700)	(2,441,481)
Cash paid for accepting business transfers from subsidiaries indirectly		-	(56,642,902)
Cash paid for the decommissioning of fixed assets	(774,058)	(1,312,000)	(448,000)
Cash paid for the purchase of plant and equipment	(296,998,651)	(211,727,756)	(165,183,957)
Cash paid for the purchase of intangible assets	(25,694,087)	(21,938,331)	(4,268,725)
Cash paid for leasehold rights		-	(600,000)
Cash paid for right-of-use assets	(3,912,371)	(2,826,861)	-
Cash received from short-term loans to associates and joint ventures	-	50,000,000	40,000,000
Cash received from short-term loans to subsidiaries	1,980,000,000	280,000,000	105,000,000
Cash paid for short-term loans to associates and joint ventures	(300,000,000)	-	(90,000,000)
Cash paid for short-term loans to subsidiaries	(2,880,000,000)	(155,000,000)	-
Cash received from the disposal of plant and equipment	2,288,411	1,249,593	1,433,156
Cash received from other receivables from the disposal of non-current assets held for sale	-	-	-
Disposal of investment in a subsidiary	-	5,564,100	-
Cash received from the disposal of investments in joint ventures	-	-	-
Dividend income	219,986,800	218,799,312	29,998,200
Interest income	6,896,682	9,850,203	9,704,452
Net cash used in investing activities	(1,950,334,500)	(442,166,440)	(255,949,466)

Statement of Cash Flows of Com7 Public Company Limited (continued)

Items	2021 (Audited)	2020 (Audited)	2019 (Audited)
	Baht	Baht	Baht
Cash Flows from Financing Activities			
Net cash from short-term loans from financial institutions	2,534,526,797	(918,934,582)	463,698,993
Cash received from short-term loans from subsidiaries	430,000,000	408,000,000	250,000,000
Cash repayment of short-term loans from subsidiaries	(443,000,000)	(280,000,000)	(40,000,000)
Cash repayment of long-term loans from financial institutions		-	-
Cash repayment of liabilities under lease agreements	(360,206,099)	(353,538,194)	(14,008,000)
Cash received from sales and leaseback		-	10,339,453
Dividends paid	(1,198,516,823)	(959,919,214)	(599,964,955)
Net cash received (used) in financing activities	962,803,875	(2,104,391,990)	70,065,491
Cash and cash equivalents increase (decrease)	432,195,904	(527,598,678)	464,263,429
Cash and cash equivalents beginning of the year	706,490,983	1,234,089,661	769,826,232
Cash and cash equivalents end of the year	1,138,686,887	706,490,983	1,234,089,661
Additional cash flow information			
Additional cash flow information includes the following details:			
Acquisition of the right-of-use assets under lease agreements	536,929,829	348,526,145	5,169,727
Gain awaiting the realization on sale and leaseback of assets under finance lease agreements	-	-	1,120,863
Purchase of unpaid plant and equipment	818,845	5,834,248	12,389,477
Disposal of unpaid non-current assets	-	-	-
Provision for the decommissioning of fixed assets	3,456,000	4,352,000	6,496,000

Important Financial Ratios

Consolidated Financial Statements of Com7 Public Company Limited and its Subsidiaries

	Unit	2021	2020	2019
Liquidity Ratios				
Liquidity Ratio	times	1.2	1.3	1.3
Quick Ratio	times	0.6	0.5	0.4
Asset Management Ratios				
Account Receivable Turnover	times	26.8	41.7	36.7
Average Collection Period	days	13.6	8.8	9.9
Fixed Assets Turnover	times	91.5	72.2	63.1
Payable Turnover	times	11.7	11.2	9.3
Payment Period	days	31.2	32.5	39.2
Cash Cycle	days	23.1	23.7	25.2
Inventory Turnover	times	9.0	7.7	6.7
Average Inventory Period	days	40.7	47.5	54.5
Assets Turnover	times	4.1	4.1	4.0
Debt Management Ratios				
Debt to Equity ratio	times	2.0	1.4	1.7
Interest Coverage	times	67.5	35.3	29.7
Profitability Ratios				
Gross Profit Margin	%	13.4	12.6	13.2
Net Profit Margin	%	5.1	4.0	3.6
Return On Assets	%	25.7	20.4	18.6
Return On Equity	%	57.6	41.2	39.6



บริษัท คอมเซเว่น จำกัด (มหาชน)

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