



PIMO

Pioneer Motor Public Company Limited

Form 56-1 One Report 2021



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This Annual Report (56-1 One Report) referred to the information disclosed on the Company's website, which is an integral part of the 56-1 One Report. The Board of Directors certifies the correctness and completeness of such referred information.

Messages from Managing Director



Dear All Shareholders

Amid the changing trends of the global economy and the COVID-19 crisis in 2021, the Thai industrial sector has been severely affected and lasted longer than usual. Exports of goods and services, consumption and private investment declined and high volatility, Air conditioner parts and electrical appliances industry is one of the target industries in Thailand that creates trade and income for the country both at the regional and global levels. The growth rate of production, distribution and export of air conditioners and electrical appliances in Thailand tends to improve in line with increasing orders both domestically and internationally. However, Pioneer Motors hopes to adapt and create added value products with new technologies and

innovations that are in demand to keep up with the changes in today's world.

Finally, on behalf of the Board of Directors, I would like to thank you for the trust and confidence from shareholders, investors, financial institutions, business partner Company's customers including all stakeholders that have supported the company as well as the management team and all staff who have joined together to drive business in accordance with good governance. Please be assured that we, Pioneer Motor, will operate its business under good corporate governance and social responsibility for the continuing sustainability growth.

Sincerely Yours,

Wasun Itthirojanakul

Managing Director

Board of directors



- | | |
|--|--|
| 1. Mr. Satian Pooprasert | Chairman of the Board |
| 2. Miss Jirayong Anuman-rajadon | Chairman of Audit Committee / Independent Director / Chairman of the Risk Management Committee / Nomination and Remuneration Committee |
| 3. Mrs. Pennapha Dhanasarnsilp | Audit Committee Director / Independent Director / Chairman of the Nomination and Remuneration Committee |
| 4. Police general. Sakda TechaKriengkrai | Audit Committee Director / Independent Director / Chairman of the Corporate Governance Committee |
| 5. Mr. Wasun Itthirojanakul | Board of Directors / Risk Management Committee / Nomination and Remuneration Committee / Corporate Governance Committee |
| 6. Mr. Christopher Robert Tape | Board of Directors / Risk Management Committee |
| 7. Mrs. Podjamarn Wongsuwan | Board of Directors |
| 8. Miss Sirirat Itthirojanakul | Board of Directors / Company secretary/ Corporate Governance Committee |

Management Team



- | | |
|---------------------------------|--|
| 1. Mr. Wasun Itthirojanakul | Managing Director |
| 2. Mr. Christopher Robert Tape | Deputy managing director |
| 3. Mrs.Nutcharat Itthirojanakul | Deputy Managing Director in Logistics |
| 4. Mrs.Podjamarn Wongsuwan | Deputy Managing Director in Accounting and Finance |
| 5. Miss Sirirat Itthirojanakul | Assistant Managing Director in Marketing |
| 6. Miss Narerat Itthirojanakul | Assistant Managing Director in Corporate Support |
| 7. Mr.Papat Itthirojanakul | Production Manager |

Part 1

Business Operations and Performance

1. Structure and Operations of the Group

1.1 Policy and business overview

Pioneer Motor Public Company Limited (“the Company” or “PIMO”) was registered as a limited company on September 12, 2001 with a registered capital of 1,000,000 baht and registered with the Stock Exchange of Thailand on August 13, 2015 to operate a motor manufacturing business for air conditioner, Industrial motors, submersible pumps, centrifugal pumps and motors for pools and spas. Therefore, the capital was increased to expand the business at the end of 2001 another 9,000,000 baht, resulting in a total registered capital of 10,000,000 baht and go into management until making progress and growing continuously And the capital was increased in September 2002 by another 90,000,000 baht making the company registered capital of 100,000,000 baht divided into 1,000,000 common shares with a par value of 100 baht per share. Year 2016 has a registered capital of 130,000,000 baht divided into 520,000,000 common shares. Shares at a par value of 0.25 baht per share. Year 2017, the company has registered to increase its paid-up capital 130,000,000.00 baht to 130,000,175.00 baht from the issuance and offering of warrants to purchase shares to ordinary shareholders of Pioneer Motor Public Company Limited No. 1 (PIMO - W1) in the amount not exceeding 104,000,000 units (by free of charge) to the existing shareholders in proportion to their shareholding (RO) at the rate of 5 ordinary shares per 1 warrant, free of charge. The exercise price is 1.20 baht. The warrants are valid for 2 years from the issuance date. (From May 16, 2017 to May 15, 2019) Warrant holders can exercise their rights 4 times, namely December 15, 2017, June 15, 2018, December 14, 2018 and May 15, 2019

In 2021, Pioneer Motor Public Company Limited has issued warrants to purchase ordinary shares No. 2 (PIMO-W2) to be allocated to the existing shareholders of the Company in proportion to their respective shareholdings (Right Offering). Not exceeding 176,133,046 units free of charge at the ratio of 7 existing ordinary shares per 2 warrants, with the exercise ratio equal to 1 warrant unit per 1 ordinary share and the exercise price of the warrants is 1.75 Baht per share. The warrants are valid for 2 years from the date of issuance. Warrant holders can exercise their rights under the warrants 4 times, namely January 27, 2022, July 27, 2022, January 27, 2023, and May 11, 2023.

Pioneer Motor Public Company Limited consists of directors and executives who are knowledgeable expertise and have good experience in this business almost 20 years, the company has never stopped to develop a variety of products. Emphasis is placed on quality and safety in use with international audit standards that the company received from leading organizations Both the CE product standard (standard according to the requirements of health, safety and environmental protection in accordance with relevant laws and regulations of the European Union) and ISO 9001:2015 international quality management system certification also received the Vendor Performance Award, an award given by leading domestic customers which shows that the company produce quality products high security and providing excellent service to deliver the highest satisfaction to customers and can meet the needs of customers according to the goals. As a result, throughout the past period, the Company has gained the trust of domestic and international customers such as Australia, New Zealand, Netherlands, Czech Republic, Iran, Middle East countries and Japan able to continuously expand new customer base and the operating results are growing every year.

The company is one of the factories that produce high quality motors. The technology is used in the production of modern motors and motor equipment. The production line is fully automated with computer-controlled wire winding machines. Using technology of inserting coils and manufacturing equipment into coils and spindles controlled by Computer Numerical Control (CNC) to achieve quality products. The aim is to be a manufacturer of motors used in air conditioners. Industrial power motors Manufacture of high-efficiency pumps, centrifugal pumps and motors for pools and spas. Under the brand "Pioneer Motor" to increase the ability to compete with foreign products substitute for imports from abroad and expanding the customer base to various countries

1.1.1 Vision, objectives, goals or strategies for the Company's operations

The Company has a goal of doing business by formulating strategies for products, prices, and distribution channels in terms of marketing promotion both domestically and internationally, and to become a leader in the production and distribution of motors for air conditioning and industrial motors as well as other products as mentioned above by building confidence in quality, price and highest satisfaction for customers

Vision "To be a leading manufacturer in Thailand and a factory chosen by customers to be the supplier of air conditioner motor, industrial motor, submersible pump and pools and spas pump motors with quality products, favorable price and on time delivery for sustainable growth"

Mission

1. Commit to developing quality products that meet the needs of both domestic and international customers.
2. Upgrade the knowledge and abilities of employees in the organization
3. Manage under the principles of good governance and ethics
4. Create the highest satisfaction for the stakeholders

Common values

P:PERFORMANCE	The Company is committed to producing products with efficiency.
I :INTEGRITY	All employees are honest with themselves and the community.
M:MANUFACTURING WORLD CLASS	The Company has an excellent production process.
O: OPERATIONAL EXCELLENCE	The Company operates at an excellent level.

1.1.2 Major changes and developments of the Company During the past 5 years

Year	Important events
Year 2017	<ul style="list-style-type: none"> - The Company invested in ordinary shares of VSM (Thailand) Company Limited ("VSM Thailand") by purchasing ordinary shares of VSM Thailand from Verde Smart Motors, Inc. ("VSM Inc."), Mr. Shannon Bard, Mr. Brent Alexander Roland and Mr. Mark Vange, who are the current shareholders of VSM Thailand, amounting to 1,000 shares with a par value of 100 baht per share, representing 100 percent of the total shares. - construction project office building and new factory for motor production for future business expansion in the former location of the company - Offered for sale of warrants to purchase shares of Pioneer Motor Public Company Limited No. 1 (PIMO - W1) in the amount not exceeding 104,000,000 units (free of charge) to shareholders Holding

Year	Important events
	existing shares in proportion to their shareholding (RO) at the rate of 5 ordinary shares per 1 warrant free of charge Exercise price 1.20 baht, 2 years old
Year 2018	<ul style="list-style-type: none"> - An additional UL Approve has been requested for US customers after the acquisition and completion of CB testing, the Australia-New Zealand standard that has been successfully tested. - There is an investment in the solar roof top project. total amount 29,960,000.00 baht for benefits from discounts on electricity throughout the 25-year project life
Year 2019	<ul style="list-style-type: none"> - The company received a promotional certificate (BOI) in the motor manufacturing business for electrical appliances. This is to change machines to increase production efficiency and improve production efficiency for renewable energy. - The installation of solar rooftops was completed in April 2019.
Year 2020	<ul style="list-style-type: none"> - Proceed with notification of change of new address Formerly No. 78 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom Province New address No. 78,78/4,78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom Province with the Department of Business Development Ministry of Commerce
Year 2021	<ul style="list-style-type: none"> - Offer for sale of warrants to purchase ordinary shares of the Company (PIMO-W2) in the amount not exceeding 176,133,046 units, free of charge, in the ratio of 7 existing ordinary shares per 2 warrants (calculated at a par value of 0.25 baht per share). The exercise ratio is 1 unit of warrant per 1 common share and the exercise price is 1.75 baht per share. - The Company purchased land and buildings on the land of Saint-Gobain Abrasive (Thailand) Co., Ltd. at the price of 40,000,000 baht, totaling a total of 4 rai 3 ngan 84 square wa. - At present, the company has completed the construction of a ready-made warehouse in December with a value of 21,000,000 baht. - The company invests in an additional solar rooftop project in the amount of 7,740,000 baht and receives 50% corporate income tax exemption benefits from the investment for a period of 3 years from BOI. - The Company has signed a Memorandum of Understanding (MOU) for the development of hub motors for electric motorcycles or EV Hub Motor with E-Tran (Thailand) Co., Ltd. - The company has invested in shares of VSM (Thailand) Co., Ltd. by paying 1,100,000 baht to repay the loan debt. Subsequently, in July 2021, the subsidiary company registered for dissolution with the Ministry of Commerce. And in August the subsidiary has completed the liquidation process.

1.2 Nature of business

1.2.1 Revenue structure

The revenue structure of the Company for the past 3 years ended December 31, 2019 to December 31, 2021, has the following revenue structure as follows:

Sales revenue by product group	Year 2019		Year 2020		Year 2021	
	THB mil	%	THB mil	%	THB mil	%
1. Air conditioner electric motors	208.54	32.29	235.83	29.64	270.30	27.28
2. Pumps, centrifugal pumps and motors for pools and spas and other motor components	364.10	56.38	479.72	60.28	622.53	62.82
3. Industrial motors	69.09	10.70	75.80	9.53	90.66	9.15
4. Other sales income ^{1/}	4.05	0.63	4.41	0.55	7.42	0.75
Total sales revenue	645.78	100.00	795.76	100.00	990.91	100.00

Remark ^{1/} Other sales revenues include raw material sales, revenue from selling mold and other sales income.

Business overview

The company operates as a manufacturer and distributor of motor products for air conditioners which is a key component for air conditioners and is a manufacturer of industrial motors for use in agricultural equipment and machinery and general equipment. It also manufactures and sells water pumps, centrifugal pumps and motors for pools and spas. The production and distribution of such products will be under the brand name "Pioneer Motor" with international inspection standards. It has been obtained from leading organizations, including CE standards (standards for health, safety and environmental protection requirements. in accordance with relevant laws and regulations of the European Union) and ISO 9001:2015 International Quality Management System Certificate, Product Safety Standards Certificate Underwriters' laboratories Inc. UL, which is a safety standard accepted by the whole world also received the Vendor Performance Award, an award given by leading domestic customers.

(1) Product characteristics

Pioneer Motor Public Company Limited operates in manufacturing and distributing of motors for air conditioners, industrial power motor, pumps, centrifugal pumps and motors for pools and spas under brand "Pioneer Motor" and manufactures "made to order" from customer. The company distributes both in the country and abroad. All types of products of the company have similar production process. The main product is the "motor" which is a crucial component of the machine and various electrical equipment used in both industrial sectors and the household sector. Our product has various uses and they must be applied appropriately in order to get the most effective result.

Currently the company has developed motor for swimming pool from AC motor to be DC motor that can be adapted for small and large swimming pools in order to serve the future demand for energy-saving scheme as DC motors can reduce electricity consumption at 20% - 40%.

Our company manufactures and distributes 4 main types as follows:

1. Motors for air conditioner uses
2. Motor for industrial uses (Induction Motors)
3. Submersible Pumps and Pool and Spa Pump Motors and other motors' components
4. Pool Pump Motors

1. Motors for air conditioner uses (Air Conditioner Motors)

Air conditioners are household appliances that are used to adjust and stabilize the temperature in the residence in order for people to live at appropriate temperature (not too hot or too cold). A set of an air conditioner consists of 2 large units. The first one is the Condensing unit which works like refrigeration system also known as "hot coil" or "outdoor unit". It is a machine shape like a cabinet located outside of the building and acts as a heat releasor. The machine consists of a compressor, an outdoor coil panel, a fan motor and a refrigerant which acts as a cooling agent in the air compressor system. The second unit is the Fan coil unit, also known as "Evaporator" or "Indoor unit". It is a form of an air conditioner that is attached within the building. It absorbs the heat in the room and release cool air out. The main components are the cooling coil and fan motor kit.

Samples of air conditioner motor

Series 52



Descriptions

Cooling motor or evaporator (Fan Coil) for wall type air conditioners in the room or building. The structure is a solid, one-phase power system, 220-240 volts, 50 Hz (the electrical system and speed level can be according to customer requirements)

Series 62



Descriptions

Motor for air curtains installed at the entrance to prevent the cold air from the air conditioner to go outside the building. The structure can be both transparent and dense, 1-phase electrical system 220 - 240 volts 50/60 Hz (the electrical system and speed level can be according to customer requirements)

Series 74



Descriptions

Single-axis condensing coil or hot air motor for medium sized air conditioners. The structure is both transparent and dense. One-phase electrical system, 220-240 volts, 50/60 hertz. (the electrical system and speed level can be according to customer requirements)

Series 95



Descriptions

Motor for cooling air or evaporator (Fan coil) and cooling hot air or condensing coil. There are both single axis and two axes for medium and large air conditioners. The structure is both transparent and solid. One-phase 220-240 volt power system, 50/60 Hz, 3 phase 220/380 volt, 50/60 Hz. (the electrical system and speed level can be according to customer requirements)

2. Motor for industrial uses (Induction Motors)

Industrial power motors customers are mostly for agricultural use. Since most agricultural machines use induction motors as a component in agricultural machinery, such as industrial fans, convection pumps, Air compressor and Coconut grater, etc.

Examples motor usages



Industrial fan



Wall-attached / 3-leg stand fans



Farm fan



Air compressor



Water Pump



Coconut grater



Plastering machine



Grinding machine



Chemical Spraying machine



Large Water Pipe ("Naga")



Citrus Fruit washing machine



Ice Crusher



Hot air blower
(Brooding of Chicks)



Factory fan



Rice milling machine

Sample images of industrial power motors

Single Phase motor

Single Phase – (1/4 HP, 1/3 HP)



Descriptions

Motor for small industrial fans, small air tank, reciprocating water pump, coconut grate and other small agricultural machinery, etc. 1-phase electrical system, 220 volts, 50/60 hertz, motor power 1/4, 1/3 hp.

Three Phase motor

3 Phase – (1 HP, 2 HP, 3HP)



Descriptions

Motor for medium to large agricultural machines, medium to large Air compressor, Large Water Pipe ("Naga"), Conveyor belt motor etc. 3-phase power system 220/390 volt 50/60 hertz Motor power 1, 2, 3 hp

Single Phase motorSingle Phase – (3HP)Descriptions

Fast cycle motor for agriculture uses e.g. Rice milling machine, 1 phase, 2 pole, 220 volt, 50 hertz, motor power 3 hp.

3. Submersible Pumps, Centrifugal pump and Pool & Spa Pump Motors

Water pump is a device that helps transfer energy from its source to the liquid to make the liquid moves from one position to another. The liquid can be moved to higher position or to long distance. Currently, the water pump is used for the purpose of delivering water for consumption, agriculture, transport, industrial uses, as well as for wastewater treatment. It is to serve the consumers' demand in terms of conveniences.

Water pumps that the company produces can be divided into two types: Dewatering Pump and Sewage Pump. The details of each type of pump as follows

Sample images of Submersible PumpsDewatering pump

For reducing the water level (Dewatering)

- Model PM-100

Descriptions

Pumps for pumping water with less suspended solids suitable for small ponds, fish tanks, small drainage ponds or other general agricultural work. It has plastic structure with ¾ inch outlet pipe, 1 inch, 1 phase electrical system, 220 volts, 50 Hz, 100 watts of power.

Pump for reducing the water level (Dewatering)

For reducing the level of clean water (Dewatering)

- Model PM-400, PM-400AUTO

Descriptions

Pumps for pumping water containing moderately suspended solids suitable for medium sized ponds, drainage ponds or general agricultural work, etc. The structure is made from aluminum and plastic with 2-inch water outlet pipe, 1-phase electrical system, 220 volts, 50 hertz, 400 watts of power.

Pump for reducing the waste water level (Sewage)

For reducing the level of waste water (sewage) – Model

PMU-400, PMU-400AUTO

Descriptions

Pumps for pumping water containing moderately suspended solids suitable for medium sized ponds, drainage well or general agricultural work, etc. The structure is made from aluminum and cast iron with 2-inch water outlet pipe, 1-phase electrical system, 220 volts, 50 hertz, 400 watts of power.

Pump for reducing the waste water level (Sewage)

For reducing the level of waste water (sewage) – Model PMU-7501, PMU-7501AUTO



Descriptions

Pumps for pumping water containing moderately suspended solids suitable for medium sized ponds, drainage wells or general agricultural work, etc. Structure is made from cast iron with 2,3 inch water outlet pipe, 1 phase electrical system, 220 volts, 50 Hz, 750 watts of power.

Centrifugal pump – Model PMC-22 (Brass) , PMC-22(Sus)



Descriptions

Pumps for general agriculture purpose which can transfer water to long distance areas or used with a vegetable sprinkler or for wide area etc. The structure is made of aluminum or Cast Iron, Brass impeller, stainless steel Inlet and outlet pipe with the size of 1 inch / 1 inch, 1 phase electrical system, 220 volts, 50 hertz, 400 watts of power.

Pool and Spa Pump Motors

Swimming pool and spa system needs to have a water pump to circulate and filter the water inside. The water pump must be suitable for the swimming pool circulation systems. As for the spa tub system, there are some differences. There is the pump for lowering the water level and the pump for draining wastages in which the motor is one of the important components. Currently the company is manufacturing the said motor to clients in Australia, New Zealand and Malaysia, which are among the world's most populous countries with swimming pools. Example of motor for pool and spa that we produce are as follows

Sample images of Pool and Spa Pump Motors

Series 72



Descriptions

Motor for pools and spa pools with standard pump flange (small size) and special pump flanges (large size), 1 phase electrical system, 240 Volt, 50 Hz, size 550, 750 Watt of power.

Sample images of Pool Pump Motors

Series 7A, 8A



Descriptions

Motor for swimming pool There is a standard pump flange (small size) and a special pump flange (large size). Can adjust the speed of rotation according to the need for use called Variable speed, average daily use 8 – 10 hours, energy saving up to 60% Power system 1 phase 230-240 volts 50-60 Hz, from 750 watts to 2100 watts.

Sample images of motor for automatic water pump

Series 60 (220V)



Descriptions

Motor for installation in conjunction with automatic water pump is used for pumping water from a tank or residential ponds. It can be used in large houses, dormitories that have many rooms, 2-storey office building, etc. The structure is made of aluminum with 1-phase electronic system, 220 volts, 50 Hz, 200 watts of power.

Series 72 (220V)



Descriptions

Motor for installation in conjunction with automatic water pump is used for pumping water from a tank or residential ponds. It can be used in large houses, dormitories that have many rooms, 2-storey office building, etc. The structure is made of aluminum with 1-phase electronic system, 220 volts, 50 Hz, power 200 watts of power.

Research and Development

The company has developed the production of BLDC motor (Brushless DC) Pool Pump 750-1100 watts and develops up to 2100 watts, suitable for small and large pools. And there is a way to develop products to reduce the disadvantages of the motors of competitors that customers in the market have reported, such as adding a function of Rotor Balance sensitivity control to make the motor more stable during the start and support the trending market. Change from AC Pool Pump to BLDC (Brushless DC) Pool Pump to reduce electricity consumption.

The strengths of a BLDC (Brushless DC) motor are as follows:

- Users can choose to adjust the level of operation at various levels according to their needs.
- The speed of the motor is more stable in the event of an unstable operating load of 5% -10%.
- It has a high working efficiency as the users can save up to approximately 40% of their electricity costs compared to traditional AC motors.
- The motor is light weighted as there is low use of silicon steel and copper wire.
- This motor model can be used as a replacement for many motor models.

The advantages of manufacturing BLDC motors are as follows:

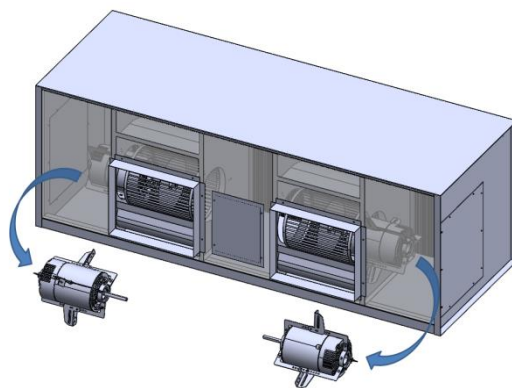
- The production process is requires less space, for example a small silicon steel pump can be produced in a closed working area of only 6 squared meters, while the conventional AC motor pump requires a working area of no less than 30 squared meters and the machine is highly noisy during the work.
- There is less working procedures, for example the new process has eliminated the aluminum injection procedure for manufacturing of rotor. The company can save on investment as the aluminum injection molding machine is no longer required and the aluminum injection process is not needed while it was necessary to have an aluminum injection process in manufacturing the conventional AC motors.

- The quantity of copper coils required is lower as a BLDC motors use about 1/3 of the amount of copper wire than that of the traditional AC motors.
- The process of formulating copper wire and binding machine are eliminated as a BLDC motor does not require a form machine nor a binder. Therefore there is no such production process.
- The electricity consumption in the production process is much lower than that of the traditional AC motors.

A comparison table of electric motors: AC for swimming pool (AC Pool Motor) and brushless electric motor for swimming pool (BLDC Pool Motor)

Type 1: AC Pool Motor	Type 2: BLDC Pool Motor
1. It requires high power consumption at 8-12 hours average daily usage time.	1. The power consumption is about 30% -50% lower than Type 1 at the average daily usage time of 8-12 hours.
2. It requires numerous machines and complex manufacturing processes such as wire stranding machines, coiling machines, coil formers, bindings, aluminum rotor injection machines.	2. It requires fewer machines than motor type 1. Some of the machines that are no longer requires are coil down machine, coil form fitting, rope binding machine, aluminum rotor injection machine. It also reduces the pollution in the factory due to the lack of aluminum rotor injection process.
3. The amount of raw material such as silicon steel and copper wire used per motor is high resulting in heavy weight.	3. It consumes approximately 30% -40% less silicon steel and copper wire making the motor lighter and easier to transport.
4. The selling price per motor is not high and there are many competitors.	4. The selling price per motor is high and there are fewer competitors.
5. User cannot set the motor speed.	5. Users can set the motor speed as required.
6. The water flow rate is not stable.	6. The water flow rate is stable as the motor can adjust its own variable speed.
7. The product design is ordinary.	7. The product's design is better as there is a control box showing the operating light on top of the motor.
8. The design and development period of the motor are easily done as the raw materials required are common.	8. The design and development period of the new motor takes some time it requires a special magnet as a raw material.
9. The standard testing procedure can be done easily.	9. The standard testing procedures has many test topics causing it to take about 1 time more testing time than type 1.

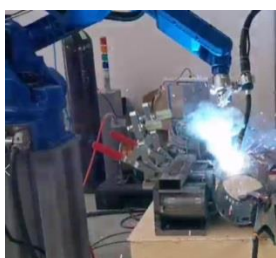
During the year 2020 – 2021, the company has developed high-efficiency motor products. To support the energy-saving market demand for medium to large air conditioners the newly developed motor has a 5-speed function. Customers can set the operating speed. And the direction of rotation as needed and the power of the motor will range from 250 watts, 500 watts and 750 watts, respectively.



An example of a high-efficiency motor for medium to large air conditioners (Air Conditioner Motors).

Research and development of technology and innovation of National Science and Technology Development Agency (NSTDA)

The company has continuously developed and improved the production process. In 2019, handling equipment and control systems have been designed to be used in conjunction with robots in 2 production lines to increase production efficiency and control quality. The production lines were aluminum injection department and motor parts welding department. The development was done by our own in-house staffs. In 2019 the company had an expense on research and development of technology and innovation of 2.6 million baht. The company also received a budget of 0.4 million baht from ITAP (Innovation and Technology Assistance Program) project from the National Science and Technology Development Agency.



Robots installed in the motor parts welding department



Robots installed 2 points in the production line of the aluminum injection department.



In addition to the three robots that have already been installed, the company plans to install more robots in the production process in 2020 and in the upcoming years.

2. Market and competition

Customer groups and target customers

Company's customer groups can be divided into 5 channels as follows:

1. Electronic Appliance Manufacturers

Electrical Appliance manufacturers, all customers in this group are customers that the Company Will produce according to the order of production for various brands or brands (OEM) under the form that the customer wants. The customers can bring the products that the company has produced and sell them under the customer's brand or brand immediately. or can be used as a component of the finished product of customers. Most of the production is made to order. A customer who wants a ready-made motor to be a part in the assembly of air conditioners. domestic water pump and sold under the brand or the brand of the manufacturer or assembling electrical appliances

Examples of OEM customers who manufacture electrical appliances



2. International Customers Group

International customers (International Customers) is a group of customers that the company produce products for exporting to various countries. The products are produced both under the customer's brand (OEM) and sold under the Pioneer Motor brand. The majority of the products are motor air conditioners and motors for pools and spas. The company has exported to more than 30 countries worldwide, including Australia, Dubai, Egypt, Czech Republic, Japan, Hong Kong, Iran, Malaysia, Philippines, Bangladesh, Sri Lanka, Kuwait, Vietnam, USA, Pakistan, Singapore, New Zealand, Netherlands, South Africa, Germany, Bahrain, Qatar, Panama, Tanzania, Greece, Portugal, Turkey, Kosovo, Mauritius, Burma, Vietnam and Cambodia, etc. Australia is the major customer country whereby the company exports the most air conditioners motors and spa motors.

In addition to the large customers in Australia, the company plans to develop a market share in the United States in the segment of high efficiency swimming pool motors. Because it is a market with high potential and almost 10 times larger than the market in Australia, we have a strategic plan to deliver 3 new products to the market by 2021.



Examples of high efficiency motors for swimming pools (Pool Pump Motors)

Currently the exporting sector is one of the main income of the company. The company had export revenues in the year 2019 - 2021, representing 35.71, 48.20 and 52.56 percent of total revenue, respectively, or equivalent to 230.62 million baht, 383.59 million baht and 520.78 million baht, respectively.

Examples of International customers



3. Agents and Dealers Group

The distributor group customers (Agents) are customers who have purchased products in bulk order quantities in order to negotiate for better price or trading terms. They will further distribute the products to wholesalers or small retailers. The company benefits greatly from this group of customers as this group of customers have many channels to distribute their products to various consumers making it possible for our products to be available to consumers in all areas.

Dealers in the wholesale store group are similar to the Agents group because as they also order products in bulk volume the company. However, Dealers have lower order volume compared to Agents. Dealers buy products from the company and sell to retail stores, these group of customers have distribution channels to small consumers such as general retail stores, etc.

Products that the company sells to Agents and Dealers group are motor product for the industrial sector and pumps under the Pioneer Motor brand.

4. Retailers and Individual customers Group

Retailers consist of diverse group of customers but most of them have similar as they buy small quantity of products. Each customer has different purchasing objectives which can be classified as follows

- 4.1 Retail stores are a group of customers who order products for distributing to the ultimate consumers. General companies are customers who order in small amount at a time and mostly they order to replace the lack of raw materials that are components in the production of that customers' products.
- 4.2 Individual customers are a group of customers who buy products from the company to be used as replacement parts for electrical appliances that are damaged, such as air conditioning motors to replace in air conditioners, etc.

Products that the company sells to Retailers and Individual customers are mostly air conditioners motors, motor product for the industrial sector and pumps under the Pioneer Motor brand.

5. Modern Traders and Department Stores Group

Modern Traders and Department Stores customers are stores with a management system for distributing a wide variety of products for the conveniences of customers. Modern retail stores continuously expand to meet the needs of consumers in all areas. Modern traders and department stores have adopted technology as a medium of communication to help connect the relationship between customers and the stores resulting in a wide range of

distribution channels to customers. The modern traders' trend of expansion is higher than that of department stores hence the Company focuses more on Modern Traders in order to extend our distribution channels to retail customers along with the expansion of Modern trader stores.

The main products that the company sells to Modern Traders and Department Stores Group are motor products for the industrial sector under the customer's brand (OEM).

Markets and Competitions

The product group that the company produces and distributes to the domestic market can be classified into 3 market segments: the market for air conditioners motor, market for industrial motor and the market for water pump and submersible pump. As for the air conditioners motor market, the Company produces motors according to the employer's OEM orders. Most of our customers are the leading air conditioners manufacturer and distributor in the country. Therefore, the quality of the product is important as it can affect the image and reputation of the customer. From the past years, our company has consistently gain trust to supply motors to many leading domestic air conditioners manufacturers.

Industrial power motor market are mostly used in industrial, agriculture and general equipment such as industrial fans, pumps, air compressors, coconut graters, plastering machine, grinder, Chemical Spraying machine, Large Water Pipe ("Naga"), Citrus Fruit washing machine, Ice crushers, Dryer machines, other machine tools and household appliances, etc. The industrial motor market is highly competitive. Our main competitors come from both domestic and foreign countries with low production costs, especially in China. During year 2020- 2021, the company has restructured the sales resulting in an increase in sales of industrial motor products. In fiscal year 2020 and 2021, the company's sales amount was 75.80 million baht and 90.66 million baht, respectively; this was an increase of 19.60%. The distribution channel was selling through the agents. This makes it possible to distribute products to small retailers and the final consumer across the country.

For the water pump and submersible pump market, despite the high competition with many manufacturers available in the market, the company remains competitive with continuous increase of sales volume. As can be seen from sales in 2019-2021, the company had total sales of 364.10 million baht, 479.72 million baht and 622.53 million baht, respectively. For this market, the product is sold to one of the major customers in the company under the customer's own brand. In addition to that, the company has distributed the products through distributors making it possible to distribute products to every area in Thailand. In addition to being able to replace imported products from abroad, Thai manufacturers can also ship their products to sell in overseas. Although the competition in the international market is quite competitive as it has been affected by manufacturers in China who has low production costs. The Company does not focus on price competition but rather give importance to product quality, timeliness in delivering, good service and adjust the price to be acceptable.

In terms of exporting to foreign customers, the Company focuses on countries with high spending potential, such as Australia, Japan and countries in Europe and the Middle East, America, etc.

Competitions strategy

1. Product strategy

The company gives priority to product quality with emphasis on the rate of energy loss reduction in order to produce motor with high efficiency. The company emphasizes on customer satisfaction and focuses on the importance of inspection on process, raw materials and other production parts to ensure that the raw materials and parts have passed a complete inspection and testing process before going to production. Every step of the manufacturing motor, water pump, motor for pool and spa process complies with the requirements of industrial product manufacturing standards to control the quality of the production process to achieve maximum efficiency and effectiveness.

The company has focused on developing quality standards in order to maximize customer's satisfaction as well as meet the quality system standard ISO 9001: 2015 and standards CE and UL, ETL. which are :

- Manufacture quality motors according to the specified standards and meet customer requirements.
- Provide on-time delivery to customers with best service.
- Provide an immediate response when there is a customer complaint.

Although the technology of producing motor, pumps and water pumps are not complicated, the company still focuses on continuous development of product quality. The company has set up a department responsible for developing and testing new products in order to increase product efficiency, safety and to meet the needs of our customers. In addition, the quality of the raw materials, production parts and the production process are inspected and the company offers warranty on finished products. Furthermore, the storage conditions before delivery to customers are checked.

In addition, the company has analyzed the customer satisfaction by providing after sales survey asking for customers' opinions on both products and services such as product delivery, the satisfaction after using our product or any other suggestion. In 2021, the company has conducted a customer satisfaction survey and the results can be summarized in two stages as follows:



The factors affecting customers satisfaction with the company's products are as follows:

1. Meet the qualifications: Efficiently manufacture motors according to customer requirements.
2. Product quality: The product must able to be used to its fullest potential as specified by the customer.
3. Appearance / usage: Design products to meet the needs of users.

4. Speed of data analysis: an immediate response is provided when there are complaints from customers. Basic causes and solutions are analyzed and communicated to customers in order to understand the cause of remedial.
5. Delivery: Provide on-time delivery to our customers with the best service and in accordance with the requirements from customer.
6. Quality of Service : Focus on after-sales service by providing fast transportation system that can deliver products to customers on time and immediate response when customers have usage problems
7. Accuracy of documents: Prepare as accurate delivery document with the details such as price, quantity and delivery location for conveniences and fast delivery.
8. Satisfaction: Maximize customer's satisfaction via factors such as product quality.
9. Speed and efficiency in analyzing the problems of the company's products to customers.
10. Providing knowledge and understanding about the company's products to customers

In addition, the company also offers a 1-year warranty after sale on the products. If there is any problem within the warranty period, the company will repair or replace the products without charge. The warranty terms are as follows

Warranty terms

1. The company provides warranty on manufacturing errors that affect normal use of the product.
2. The warranty covers problems arising from normal use only. The warranty does not cover under the following circumstances.
 - Damage caused by misuse or for a wrong purpose
 - Lack of knowledge in assembling the product or lack expertise in using the product
 - Improper modifications of product or ignorance the product's cautions.
 - Lack of maintenance resulting in corrosion caused by various chemicals

Consideration on granting warranty is based on the condition of the actual product, receipt or other purchasing evidence. Throughout the years, the company has been rarely contacted by customers to request for a return and the return value is at approximately 0.01% of sales revenue each year.

2. Pricing policies

The company has prepared a pricing policy according to product categories and types of customers. The price is set appropriately by calculating the total cost incurred plus the profit margin (Mark Up Cost). The company does not focus on price competition nor of cutting price to compete with competitors. The selling prices vary depending the product market segment and customer groups. Because the company emphasize on providing quality product, on-time delivery and excellent service so that the price of the company's products is within the range that customers can accept. The majority of the company's customers are the manufacturer of electrical appliances. Therefore they require high quality products that are safe to be used as the motor is the main component in electrical appliances that are sold by the customers. Therefore, most customers are concerned with the quality of the motor rather than its price because even if the motor is cheap, it may not be effective to use or not working as intended or

unsafe to use. Because when there is a problem with such electrical appliances it will immediately has negative impact on the brand image and reputation of the appliance brand.

3. Distribution channels

Motor product is a crucial component in various electronic appliances such as air conditioners, agricultural machinery, etc. Most of the consumers are the intermediate consumers who use the motor to assemble the electronic appliance or purchased to resell to the final consumer. Therefore, the main customer groups are entrepreneurs or manufacturers and distributors who are mostly sold through dealers. Our customer groups according to distribution channels can be divided into 5 groups as follows.

1. Electronic Appliance Manufacturers
2. International Customers
3. Agents and Dealers
4. Retailers and customers
5. Modern Traders and Department Stores

The company has set a guideline for the distribution management through various channels as follows:

- The distribution through the factory location office is a distribution channel that offers services to new customers who are general retail customers that require a small amount of the Company's products. We have provided sales team to serve the customers who may call in directly to purchase products.
- The distribution channel through agents and dealers, manufacturers and retailers are large group of customers that have been trading with the company for a long time and the sales volume are usually large. The company has provided sales team and engineer team to serve and meet the needs of each customer as our customers' requirement on motor products are different. We pay great attention to after-sales service by providing a decent and fast transportation system that can deliver products to our customers on time as well as offer immediate response when customers have any problems with our products.
- The company also has sales representatives to provide product recommendations to stores in the upcountry's provinces.

The company also realizes the importance of adding channels for ordering products through the company's website. This is an online purchase to add another distribution channel. This will help facilitate ordering for customers, now the company also increases such distribution channels, for more flexibility in ordering by selling online through Shopee and Lazada.

In addition, the company still interested in selling products to countries in the ASEAN Economic Community (AEC) more in the future. Due to the opening of free trade making trade between each other in the ASEAN market will be an opportunity for entrepreneurs in Thailand which will help the company able to produce more products and export to regional countries in the Southeast. For the countries in the AEC group that the company has plans to expand exports to sell more, such as Laos, Brunei and Indonesia, etc.

4. Controlling and customers credit consideration

The company sells products to customers in both cash and on credit term. As of 31 December 2021, the company has the proportion of account receivable to net sales at approximately 18.00%. According to our customer credit policy, the company will sell products on a cash basis to new customers and will consider giving credit term after the customer has traded with the company for a period of more than 6 months. Factors such as the purchase amount and the frequency of purchases in the past 6 months will be considered. However, the company still emphasizes on accepting cash payments policy with the following guidelines.

- In case there is product available in warehouse, the customers must transfer money in cash before shipment.
- In case the product is special or is tailor made for a specific customer, the company will collect payment at full amount in cash.
- In case of normal products that can be sold to many customers but there is no product available in the warehouse, the company will collect some payment in cash first, for example, 30% 50%, depending on the Company's consideration.

For customers who receive trade credit, the company has a policy to grant credit terms at approximately 30 days and no more than 120 days with an except to international customers who receive approximately 30 - 60 days of trade credit. The credit term has to be considered and approved by the management by case basis. In the event of having trade receivables being overdue more than given in the conditions, the company will start the collection process in accordance with the prescribed procedures. Follow up on payment will be tracked verbally and in written notice and cases will eventually go to legal procedures. In addition, the company has set a policy to set up an allowance for doubtful accounts by using certain criteria such as analyzing aging and assessment of the current financial status of the debtor as a basis for determining the allowance for doubtful accounts. The age range of the debtor and the status of the debtor are used as a basis for setting up an allowance for doubtful accounts of the debtors who have overdue debt.

5. Policy on promotion and public relations

The company focuses on advertising and publicizing directly to the target customers. The main advertising media is public relations via the Company's website, www.pioneermotor.th.com, to serve as a channel for all types of customers and interested consumers to access our company and our products' information. In addition, the company also goes exhibitions both in Thailand and abroad in order to reach the targeted customers. However, due to the epidemic of COVID 19 in 2021, the company had to participate in online activities instead of physically attend the events such as:

1. Online Business Matching Thai - China (Induction motors and Submersible pumps) in January 2021.
2. Online Business Matching in Construction and Agriculture project in September 2021
3. Online Business Matching in Air-conditioning, Chiller, Electronics and Electrical project in September 2021

Even though there is an outbreak of COVID-19 but the company still allows employees to try to build relationships and familiarity with customers in order to know the needs of customers, salespeople will be sent to meet customers in

Bangkok and other provinces with strict security measures for the epidemic. This way employees and engineers know the real needs in order to be able to improve and develop the production of products to be more efficient to respond to the needs of customers and creating satisfaction for customers.

Industry Analysis

Motor products are considered to be one of the components of electrical appliances and electronics in the Thai industry. At present, there is no agency or organization that collects specific information about motors. Therefore in order to analyze the current industry and the trends of the motor product, references from the electrical appliances and electronics industries, industrial machinery and agricultural equipment are required. This reflects the demand for motors in manufacturing electrical appliances and electronics products as well as agricultural machinery. The demand for the product varies with several factors, consideration on global economic growth, Thailand's economy; Air conditioner industry, industrial machinery and agricultural equipment in Thailand have details as follows.

1 Overview on World Economy

Due to the spread of the COVID-19 virus, it has put pressure on the economy, trade and production in many countries to shrink more than expected while the unemployment rate rose. The Federal Reserve Bank maintained the policy rate level at 0.00-0.25% to support the recovery of domestic business and employment. This is in the same direction as Thailand's main trading partner who maintains the same policy interest rate levels to help stimulate the expansion of the business sector.

In addition, there are many issues in the global economy that needs to be monitored, such as the COVID-19 epidemic situation, where many countries are now facing a second outbreak. The new trade protection measures between the United States and China may have an effect on the global trade and geopolitical disputes in many countries. However, if the development of a vaccine against COVID-19 can be widely available in many countries, the government can relax the control measures and the economic activities are likely to increase. This is a factor driving trade, investment and production volumes tend to recover. Source: The Office of Industrial Economics

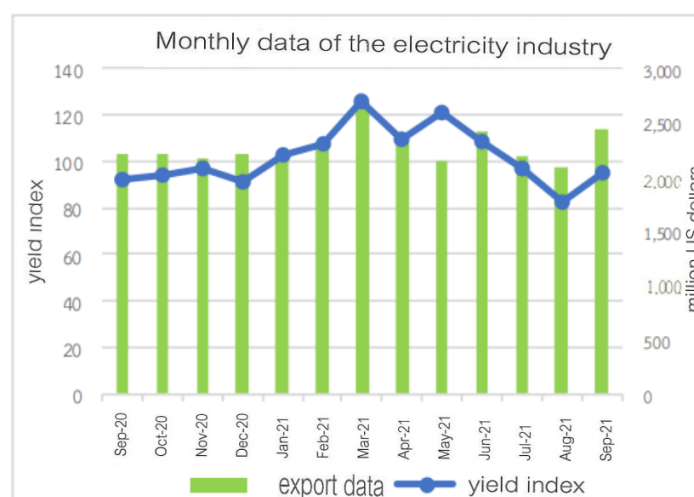
2021 Economy overview and the Expectation of 2022

Thailand's exports for the whole year in the year 2021 increased in value of 17.1% with a value of 271,173.5 million US dollars, an increase of 17.1%, with a value of 8,542,103 million baht, the important factors that support the success of exports in 2021 are 1 Collaboration between the Ministry of Commerce and the private sectors in the form of Organizing promotional activities of the Ministry of Commerce in the form of OBM (Online Business Matching) 2. The economies of major trading partners continued to recover. 3. Global manufacturing sector expands in 2021, as seen from the Global Manufacturing PMI (Global Manufacturing PMI) over 50 to 18 consecutive months. 4. The baht has not appreciated making it able to compete in price with competitors in the international market. 5 The price of the oil that is a positive factor that increases the value of exports of oil-related products. Overall exports in 2021 came from an increase of agricultural products by 23.5%, representing 819,831 million baht, agro-industrial products increased by 6.7%, bringing 607,228 million baht into the country and industrial products increasing by 16.0%, worth 6,790,161

million baht. Exports of air conditioners and components increased 23.5%, making money into the country 203,060 million baht. The continent with the most expansion was Australia, an increase of 54.4%, Russia and the CIS countries, an increase of 45.8%, the United States, an increase of 36.5%, Latin America, an increase of 36.5. % ASEAN, an increase of 35%, and Africa, an increase of 34.1%, the Middle East that is the next target in the future, an increase of 29.5%, etc. The Ministry of Commerce expects Exports in 2022 will tend to increase by 3-4% with the total yearly value of 270,000-282,000 million US dollars, or 9.08-9.16 trillion baht, with factors that will help include 1. Economic expansion and imports of major trading partner countries expanded. 2. The baht is still at a level that is conducive to exports. 3. Container volumes are expected to increase and reach a balance between the middle of this year till the end of the year. 4. The growth of the digital economy makes the world market has a demand for IT products, smart device that Thailand is an exporter 5. It is expected that the severity of COVID-19 will decrease, thus reducing the barriers. 6. It is aimed that the entry into force of the RCEP starting January 1, 2022 will help promote the number of Thai exports to 14 ASEAN member countries more, more flexible and more convenient because many tariffs are 0% and the Ministry of Commerce prepares in advance and offers certificates of origin, important documents that will benefit from the RCEP agreement for Thai exporters.

2 Overview on Thai Economy

Electronics manufacturing increased by 3.1 percent compared to the same month of the previous year. The Manufacturing Production Index (MPI) was at 94.8. Products that increased were compressors, electric motors, electric cables, air conditioners, cables and household fans since it is sold in the country and more foreign orders while the products that declined were transformers, rice cookers, washing machines, thermos, refrigerators and microwave ovens, respectively, due to the decrease in demand for domestic products and foreign orders.



Source: Office of Industrial Economics Institute of Electrical and Electronics and Ministry of Commerce

Electrical appliances exports were valued at US\$ 2,430.6 million, an increase of 10.2% compared to the same month last year. Electric motors were valued at US\$ 72.9 million, increased by 30.4% in the European, ASEAN and

Japanese markets. Air conditioners are valued at \$417.3 million, increased by 21.8% from the US, Japan and ASEAN markets.

3. Products and Services

Product management

The company has offices and factories for producing products. It is located at 78, 78/4, 78/5 Moo 3, Dontoom - Nakhon Chaisri Road, Donfaek Subdistrict, Nakhon Chai Si District, Nakhon Pathom Province Thailand. The products that are manufactured and distributed are motors for air conditioning, industrial power motors, water pump, centrifugal water pump, motor for pools and spas including BLDC motor, pool pump and other motor components.

(1) Production

The majority of our company's productions are made to order products for our customers. There are products made both under the customer brand our own brand in order to fully meet to needs of our customers. The products made under customer's brands are mostly air conditioner and water pump motor for residential while most products produced and distributed under the Company's brand are mainly industrial power motors, pumps and water pumps.

The company's production is mass production, starting from receiving orders from customers and the company will procure raw materials and parts to be used in production from verified raw material suppliers before going into the production process for each production department.

The production process of each department operates differently in each sub-division process. The dewatering and water pump differ only in assembly and appearance; however the main components of each product remain the same which are the motor inside under the motor production line, pumps which can be divided into nine main departments: pump department, injection department, core department, rotor department, coil department, lid department, shell department, painting department and assembly department.

For the good quality of the products, the company has inspected and tested the raw materials used in the production. Inspection and testing are done during the production process. Finished product has randomly inspecting and testing that quality of the product is according to the quality plan. This is to ensure that the company's products are of high quality and meet the needs of our customers. The company has QA department to inspect that every product being produced go through the First Pass Yield test (first pass rate) and meet the passing criteria of 99 percent.

Production machines

The company has the main production machines such as wire harness machines, punching machines, inserts machine, tying machine, CNC machine, Testing motor machine, Wire Insulation Scraper, Hydraulic presses machine, etc. Currently there are more than 500 machines used in the production.

Labor

The labor being used in the motor production line, pumps and water pumps in 26 main departments has 524 people 518 Thai workers, 6 foreign workers working 2 shifts per day, 8 hours of labor whereby the first shift starts working from 8:00 am - 5:00 pm. (Lunch break takes 60 minutes, Round 1 starts at 11.30 - 12.30, Round 2 starts at 12.00 - 13.00 and Round 3 starts at 12.30 - 13.30) and the second shift starts from Time 17.00 - 02.00 (break time 21.00 - 22.00 for a period of 60 minutes).

Production capacity and actual production volume

Product	Unit	2019	2020	2021
<u>Air conditioner electric motors</u>				
Full capacity	Motor	500,000	500,000	500,000
Actual production	Motor	308,915	337,951	366,931
Utilization rate	Percentage	61.78%	67.59%	73.39%
<u>Power Motor</u>				
Full capacity	Motor	80,000	80,000	80,000
Actual production	Motor	40,479	42,986	50,986
Utilization rate	Percentage	50.35%	53.73%	63.73%
<u>Water pump</u>				
Full capacity	Pump	50,000	50,000	50,000
Actual production	Pump	17,649	20,574	20,427
Utilization rate	Percentage	35.30%	41.15%	40.85%
<u>Pool pump</u>				
Full capacity	Pump	96,000	120,000	150,000
Actual production	Pump	63,462	110,524	135,458
Utilization rate	Percentage	66.11%	92.10%	90.31%
<u>Household pump</u>				
Full capacity	Motor	400,000	400,000	400,000
Actual production	Motor	251,007	282,688	295,974
Utilization rate	Percentage	62.75%	70.67%	73.99%
<u>Motor parts</u>				
Full capacity	Pieces	60,000	60,000	60,000
Actual production	Pieces	10,565	10,039	14,176
Utilization rate	Percentage	17.61%	16.73%	23.63%

Remark: Full capacity of a product is the highest production capacity for that particular product if the Company produces only one type of such product. The overall production capacity is approximately 70 - 80 percent of the total production capacity. The Company has to expand the production capacity in the future.

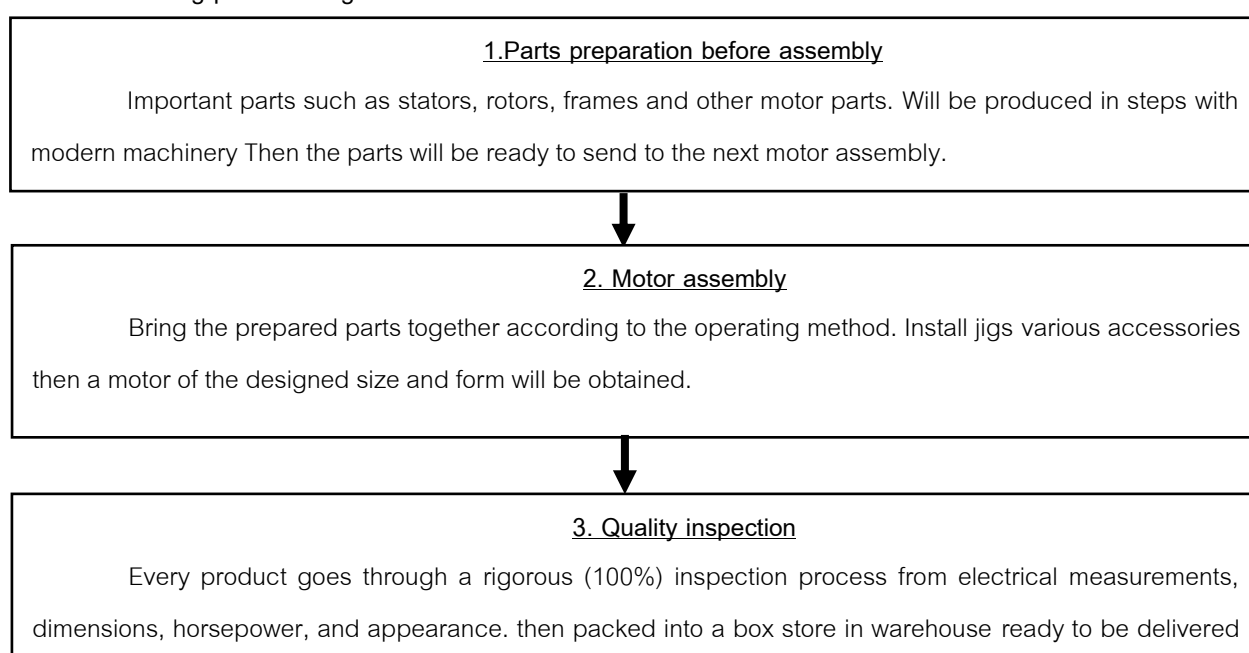
The company has also invested in a solar rooftop project which was completed in April 2019. The purpose was to convert DC power to AC electricity before transferring to various parts of the factory building to enable machinery and equipment to work more efficiently and reduces electricity costs. However, in the case that the sky is closed or it rains or the intensity of the sunlight is not enough, the system will automatically switch back to use the normal electricity. Currently, the company is able to save about 30 - 35% of electricity bills each month which helps to reduce the cost of the company as well.



Production loss rate

The company has set the control of waste arising from the production process. Each department has different production loss rate depending on type and nature of work. The production loss rate in all the process is set to be 0.1 percent.

Motor manufacturing process diagram



(2) Sourcing of our raw materials

The company emphasizes on the quality of raw materials that are used in the production process. Before the raw material purchased, the company takes samples of such raw materials from the supplier to check the quality. If the quality passed according to the specified standards, the company will proceed with the order to be used in actual production. The Company has established a policy and operating manual for raw materials, procurement. This requires comparing the prices offered by more than one supplier and assessing the quality over a specified period of time.

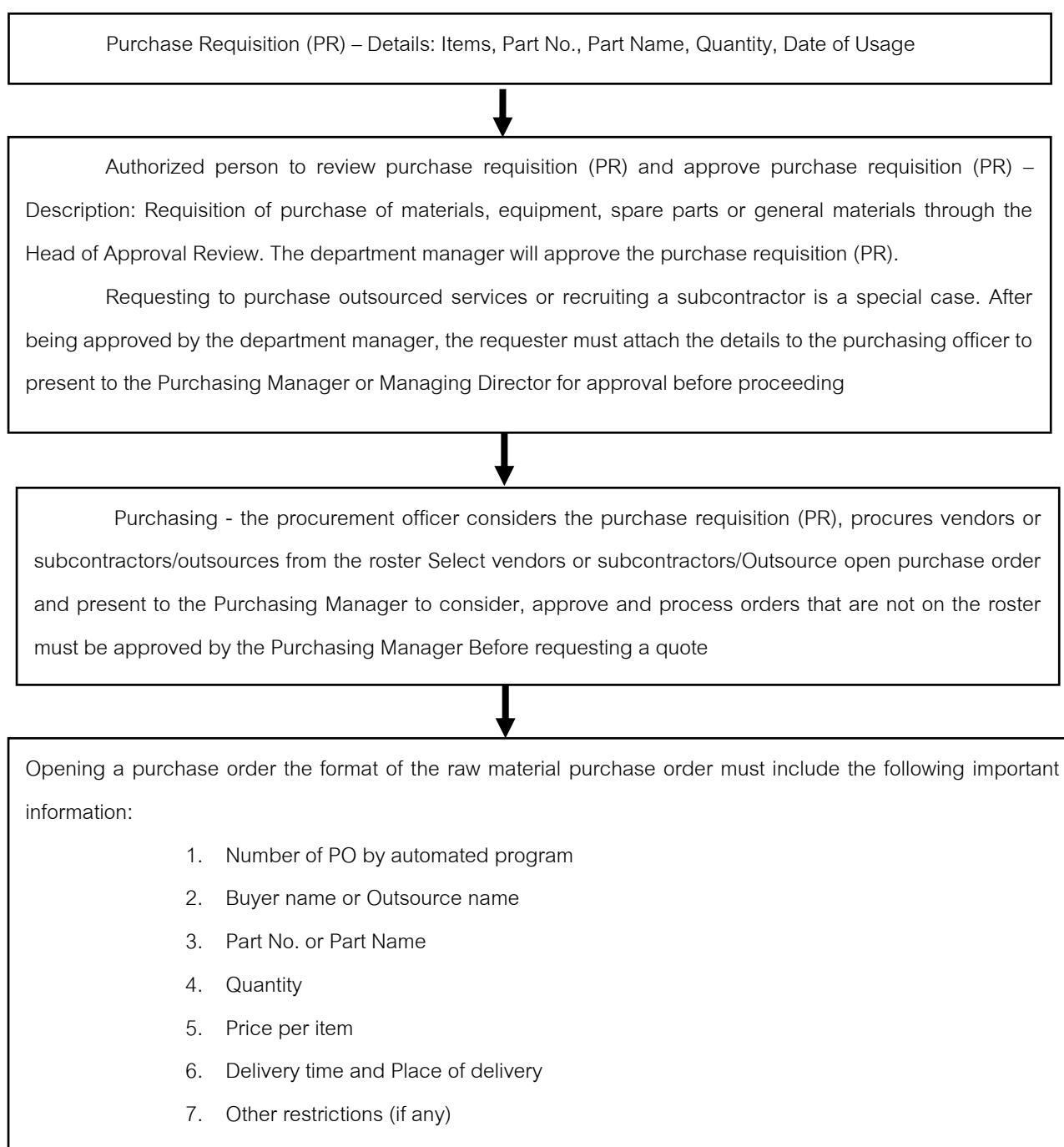
The company will select a supplier from the company's list of supplier and on the list; each supplier is ranked with a score that was already given. For ones that are not on the list such as the new suppliers, the supplier is required to bid and compare according to the procurement operation procedure set by the company with the purchasing manager to review and approve again. The purchasing manager has the authority to review and edit the procurement list of supplier.

When evaluating suppliers of raw materials or parts used in production, the company will evaluate the supplier based on the delivery score, service on time and quality rating and this is done twice a year. In addition, the company

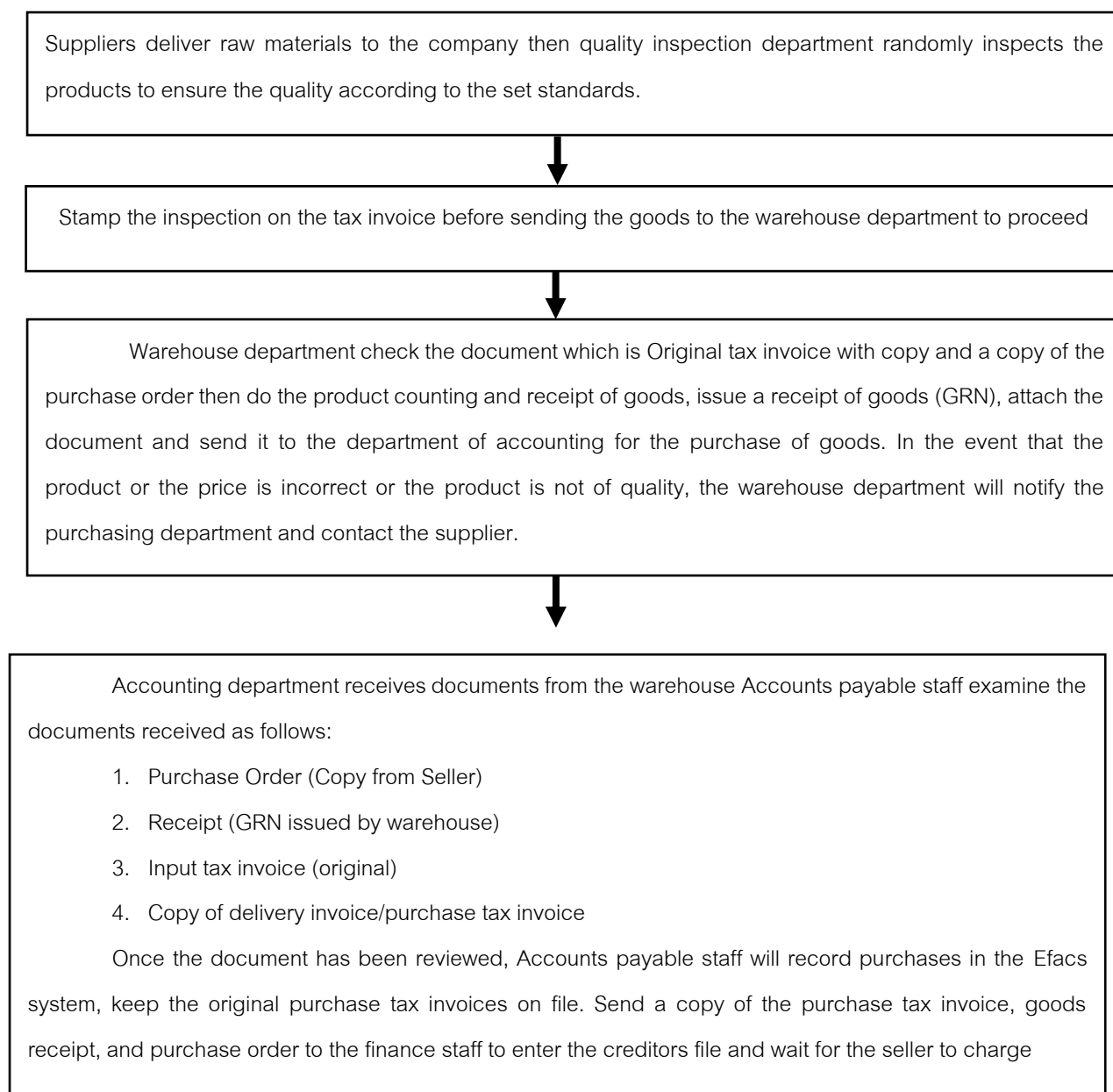
requires the purchasing staff to review the supplier assessment results over the past year to ensure that they are performing well and some suppliers that do not meet the quality standard will be eliminated from the list so that the company is ensured that the highest quality of raw materials is provided for further production.

The Company has no obligation to purchase raw materials from any supplier and does not rely on any specific supplier because we have quality inspection session. If the raw materials from any supplier are not of the quality as specified by the company, the company can immediately purchase raw materials from other suppliers. The company has a policy that when purchase raw materials, the quality and the price must be taken into consideration and prices are compared from more than one supplier every time an order is made.

Process of Raw Materials orders



Raw material receiving process



Raw materials used in production

The raw materials used in the production at the company orders must be inspected and tested, raw materials must meet the RoHS Directive, which stands for Restriction of Hazardous Substances, is the European Directive 2002/95/EC of the European Union (EU) on the use of harmful substances in electrical and electronic equipment. This includes all appliances that require electricity to operate, such as televisions, microwave ovens, radios, etc.

Therefore, all the parts that make up the electrical appliances since the circuit board Electronic devices, to wires, must meet these requirements. There are currently 6 types of limited substances, namely Mercury, Cadmium, Lead, Chromium, Polybrominated Biphenyls, Polybrominated Diphenyl Ethers.

Details of raw materials classified by type of raw materials

Raw Materials	Percentage of Purchase as of December 31 2021	Source of Raw Material	
		Domestic	Overseas
Copper	25.71%	✓	
Silicon Steel	23.37%	✓	
Aluminium	7.34%	✓	
Capacitor	3.86%	✓	✓
Bearing	3.59%	✓	✓
Steel bar	3.84%	✓	✓
Steel sheet	0.17%	✓	

Remarks: Percentage of purchase vs. total purchase value

The table shows the quantity of purchases for each type of raw material from 2019 – 2021 (in Millions Baht)

Raw Materials	2019		2020		2021	
	value	%	value	%	value	%
Copper	115.33	26.74	132.60	24.67	206.22	25.71
Silicon Steel	92.42	21.43	105.11	19.63	185.84	23.37
Aluminium	35.80	8.30	38.97	7.32	58.10	7.34
Capacitor	22.72	5.27	28.55	4.68	36.19	3.86
Bearing	22.51	5.22	29.47	5.36	30.31	3.59
Steel bar	16.54	3.84	20.11	3.77	30.42	3.84
Steel sheet	0.68	0.16	0.57	0.10	1.34	0.17

Remarks: Total raw material purchase value vs. total raw material purchase value

(4) Assets used in business

Table showing the assets of the company used in business as of December 31, 2021

Property type	property	proprietary nature	obligation	net worth As of 31 Dec. 21	property utilization
1. Land	- Land title deed number 5759, land number 188, Khlong Phlu Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 5 rai 2 ngan 74 square wa	own	do not have	179.80	factory building location (Steel Mill, Steel Welding)
	- Land title deed no. 11015, land number 187, Khlong Phlu Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 6 rai 3 ngan 93 square wa	own			Location of warehouse building with mezzanine for raw material store Finished goods stock and building for the production of brushless electric motors for swimming pools.
	- Land title deed no. 65140, land number 539, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 7 rai 0 ngan 43 square wa	own			vacant land
	- Land title deed number 5762, land number 184, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 3 rai 3 ngan 88 square wa	own			Location of the factory building and office office 2 floors
	- Land title deed number 5763, land number 186, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 4 rai 3 ngan 65 square wa	own			cafeteria location
	- Land Title Deed No. 22656, Land No. 185, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 0 ngan 02 square wa	own			Location of a 2-storey office building canteens and guard towers
	- Land Title Deed No. 65141, Land No. 540, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area of 3 rai, 2 ngan, 13 square wa	own			Location of a 2-storey building (dormitory)
	- Land title deed no. 38076, land number 183, Don Faek	own			Location of production building (axis

Property type	property	proprietary nature	obligation	net worth As of 31 Dec. 21	property utilization
	Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 4 rai 0 ngan 13 square wa				department)
	- Land title deed no. 38077, land number 182, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 1 ngan 48 square wa	own			Location of production building (axis department)
	- Land Title Deed No. 64944, Land Number 537, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 2 ngan 08 square wa	own			Location of production building (axis department)
	- Land title deed no. 64947, land number 538, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 0 ngan 15 square wa	own			Location of production building (axis department)
2.	Buildings and building improvements	own	do not have	97.31	Office / Factory / warehouse building
3.	Machinery and factory equipment	own	do not have	117.14	for use in business
4.	Office equipment	own	do not have	2.28	for use in business
5.	Vehicles	own	do not have	5.09	for use in business
6.	Assets under construction and installation	own	do not have	11.54	for use in business

Note: During the current year The Company has provided a land appraisal by an independent appraiser which was assessed on September 27, 2021 using the Sales Comparison Approach. The result of the appraisal showed an increase in land value of 117.8 million baht less deferred tax liabilities. The remaining net book value is 94.24 million baht. The surplus from the revaluation of such assets cannot be deducted from the accumulated loss and cannot be paid as a dividend.

As at December 31, 2021, the Company has rights to use machinery and vehicles acquired under finance lease agreements. The net book value is approximately 5.9 million baht (Year 2020: amount 6.2 million baht). As of December 31, 2020, the Company has certain assets which have been fully depreciated but are still in use. The book value before deduction of accumulated depreciation is 239.3 million baht (year 2020: 230.2 million baht).

4.2 Intangible assets used in business operations

As of December 31, 2021, the Company has intangible assets such as computer programs which is worth 4.64 million baht, with details as follows:

Details	Value (Million Baht)
cost price	12.29
Less accumulated amortization	(7.65)
book value	4.64

4.3 Contracts related to business operations

4.3.1 Contract of sale

Currently the company has entered into a sales contract with an employer to produce motor products for pumps used in homes. In the manner of producing products according to the order of the purchaser (OEM), which is a large purchaser. The essence of the contract is as follows:

Important conclusions of the contract	
Counterparties	between the company and a large buyer
<i>the nature of the contract</i>	: Is a product purchase agreement Semi-finished products and/or raw materials with sizes, designs and characteristics as determined by the purchaser. which is in accordance with the quotation proposed by the company and approved
<i>Important terms of the contract</i>	: <ol style="list-style-type: none"> 1. The company must be the manufacturer itself. It is strictly forbidden to employ production. 2. Send the work piece according to the contract to the buyer in the specified amount. and the place specified in the purchase order 3. If the workpiece is damaged resulting from the Company's shortcomings, the company has to send list order work pieces or raw materials according to the replacement contract on time. and the quantity required by the buyer If it cannot be produced and delivered, the buyer must be informed immediately. If it affects the business of the Buyer, the Company shall be liable for all damages incurred by the Buyer. 4. The company is prohibited from selling workpieces to others. unless prior written consent of the purchaser 5. The quality of the goods must be in accordance with the quality assurance contract between the buyer and the seller. (See the summary of the key terms of the quality assurance contract in clause 5.4.2)
<i>issuance of goods</i>	: <ol style="list-style-type: none"> 1. The purchaser agrees to issue a purchase order to the Company in advance for each period for a period of not less than 30 days 2. If the buyer has a need to temporarily suspend delivery or delaying the delivery of part or all of the contract on the purchase order can be done by informing the

Important conclusions of the contract		
		company not less than 5 days before delivery
<i>order cancellation</i>	:	In the event that the purchaser is obliged to cancel certain contractual purchases The purchaser will notify the company not less than 30 days in advance
<i>Contract turnover</i>	:	undefined will be according to each buyer's order
<i>Settlement</i>	:	The buyer will pay for the goods according to the contract within 60 days from the date of receipt of the goods.
<i>contractual commitment period</i>	:	stipulates that "the contract will be valid and effective for 1 year from the effective date until either party submits a claim against the other then the contract will be extended for another year."
<i>effective date of the contract</i>	:	The contract is effective from November 1, 2012.
<i>termination of the contract</i>	:	1. Which party breaches the contract? The other party has the right to terminate the contract immediately without the need to pay any damages incurred with the company (seller) 2. In termination of the contract, the buyer will notify the company. not less than 30 days in advance

Note: In practice, the Company and the purchaser have agreed that the contract will continue to be effective until either party tells the termination of the contract

4.3.2 Quality Assurance Contract

Key Conclusions of the Quality Assurance Contract		
<i>counterparties</i>	:	between the company and a large buyer
<i>the purpose of the contract</i>	:	for quality control create an understanding of quality and to maintain and improve product quality which the buyer will order from the company
<i>Warranty</i>	:	The company guarantees that the products purchased by the purchaser are free from defects in both (1) raw materials (2) manufacturing errors.
<i>Verification (parts and raw materials)</i>	:	1. After checking the list of raw material parts according to the specifications that have been notified 2. The company agrees to cooperate to the buyer or agent to verify the product (Parts and raw materials) ordered at the company's premises or the production source of the company according to SPECIFICATIONS agreed upon
<i>quality assurance</i>	:	The company will establish and maintain a quality assurance system of the production process from start to finish and the product must meet the buyer's standards and maintain reliable quality
<i>contract period</i>	:	The contract will be valid and effective for 1 year from the effective date until either party submits a claim to the other party The contract will then be extended for

		another year.
<i>effective date of the contract</i>	:	The contract is effective from November 1, 2012.
<i>termination of the contract</i>	:	not mentioned because this contract is part of the contract specified in the purchase agreement that the Company made to the buyer

Note: In practice, the Company and the purchaser have agreed that the contract will continue to be effective until either party tells the termination of the contract

4.3.3 Loan Agreement

As of December 31, 2021, the Company has overdraft lines and short-term loans from local financial institutions in the amount of 128.9 million baht (2020: 125.4 million baht). Including the condition that the land, building and equipment will not be used to create an obligation.

4.3.4 Affiliate Acquisition Agreement

On February 2, 2017, the Company purchased ordinary shares with the name of VSM (Thailand) Co., Ltd. (current subsidiary), with details of the contract as follows.

1. Shares Sales and Purchase Agreement The Company invests in ordinary shares of VSM (Thailand) Co., Ltd. by acquiring ordinary shares of VSM Thailand from Verde Smart Motors, Inc. , Mr. Shannon Bard, Mr. Brent Alexander Roland and Mr. Mark Vange, who are the current shareholders of VSM Thailand, amounting to 1,000 shares with a par value of 100 baht per share, representing 100% of the total shares. By buying at USD 0.10 per share (equivalent to 3.60 baht at an exchange rate of 36 baht per USD 1), totaling a share price of 100 USD (equivalent to 3,600 baht at an exchange rate of 36 baht per USD 1). VSM Thailand has outstanding debt to VSM Inc. in the amount of USD 650,000 (equivalent to 23,400,000 baht at an exchange rate of 36 baht per USD 1) of VSM Thailand, which will be paid in 3 installments and will be paid in full at the end of the second year after the signing of the share purchase agreement The total investment value in VSM Thailand is \$650,100 (equivalent to 23,403,600 baht at an exchange rate of 36 baht per 1 USD).

The business transfer was completed on February 2, 2017, therefore VSM (Thailand) Co., Ltd. is a subsidiary of the Company. The Company holds 998 shares, representing 99.98% of the registered capital of VSM Thailand, and has common directors with the Company, namely 1) Mr. Wasun Itthirojanakul 2) Ms. Sirirat Itthirojanakul 3) Mr. Christopher Robert Tape with Mr. Wasun Itthirojanakul or Ms. Sirirat Itthirojanakul signing with Mr Christopher Robert Tape.

2. Distribution Agreement (Supply Agreement) The Company is entitled to be the sole supplier of products manufactured from such intellectual property and technology must be sold through VSM Inc. or directly to customers to be agreed upon by the parties.

3. Exclusive License Agreement VSM Thailand is a subsidiary of VSM Inc. and is specialized in the manufacture of motors for swimming pools. VSM Inc. is also the owner of the property. The intelligence and technology involved in the manufacture of motors for swimming pools in the investment of the company in the ordinary shares of VSM Thailand, the Company shall obtain the exclusive rights to use the intellectual property and technology associated with the manufacture of the motors for such swimming pools from VSM Inc. (but VSM Inc. may grant such rights to

persons others within South America) whereby the Company agrees to pay VSM Inc. royalty fees at the rate of 4.5-6 percent of the sales of this type of product, which VSM Inc. determines as royalties under the Exclusive License Agreement.

4. Debt Settlement Agreement At present, VSM Thailand has outstanding debt to VSM Inc. in the amount of USD 650,000 (equivalent to 23,400,000 baht at an exchange rate of 36 baht per USD 1). In VSM Thailand, the Company will also bear such debt of VSM Thailand, which will be paid in 3 installments and will be paid in full at the end of the second year after the signing of the share purchase agreement. The total investment value in VSM Thailand is USD 650,100 (accounting for 23,403,600 baht at an exchange rate of 36 baht per 1 USD). There will be no other obligations in addition to such debts only.

4.3.5 Policy

Contract 1		Bangkok Insurance Public Company Limited
<i>Policy number</i>	:	821-01551-116
<i>Policy type</i>	:	Property Risk Insurance covers direct loss or damage to the insured property caused by fire, lightning, windstorm, flood, hail, earthquake or volcanic eruption or an underwater wave or a tsunami, disasters from vehicles, perils from smoke, perils from aircraft, perils from explosions, perils due to water strike, riot or act with malicious intent (except for acts for political, religious or ideological interests) or natural smoldering or explosions and accidents that cannot be anticipated from external factors or other perils that are not specified in the exclusions of the insurance policy for risk of property. (GIA FORM date 01.01.2016)
<i>insured property</i>	:	The insured property consists of 1) Buildings, buildings (excluding foundations) worth 80,000,000 baht 2) Furniture, decorations, fixings, worth 10,000,000 baht 3) Stock products worth 163,000,000 baht 4) Machinery and equipment worth 360,000,000 baht
<i>property location</i>	:	78,78/4,78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom 73120 (Block Code : C7303-*TB)
<i>period</i>	:	6 February 2021 to 6 February 2022
<i>Protection limit</i>	:	613,000,000baht
<i>beneficiary</i>	:	Pioneer Motor Public Company Limited

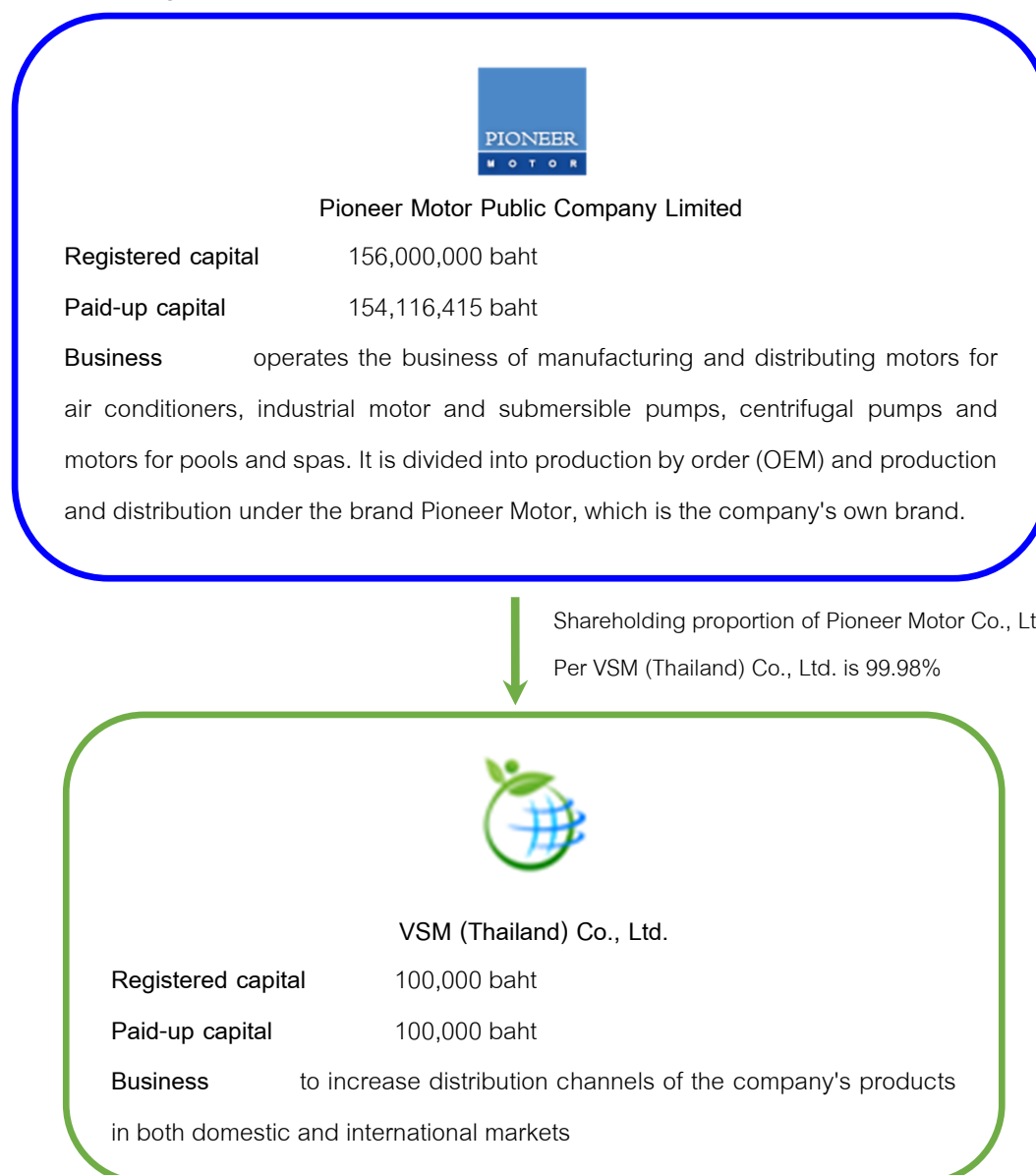
Contract 2		Bangkok Insurance Public Company Limited
<i>Policy number</i>	:	820-01551-887
<i>Policy type</i>	:	Property Risk Insurance by covering loss or damage directly to the insured property caused directly by fire, lightning, windstorm, flood, hail, earthquake or volcanic eruption or an underwater wave or a tsunami, disasters from vehicles, perils from smoke, perils from

		aircraft, perils from explosions, perils due to water strike, riot or act with malicious intent (except for acts for political, religious or ideological interests) or natural smoldering or explosions and accidents that cannot be anticipated from external factors or other perils that are not specified in the exclusions of the OIC Form.
<i>insured property</i>	:	The insured property consists of <ul style="list-style-type: none"> a. Buildings, buildings (excluding foundations) worth 40,000,000 baht b. Furniture, decorations, fixings, valued 100,000 baht c. Machinery and accessories worth 17,000,000 baht d. Tools and molds worth 4,500,000 baht e. Computer only hardware worth 60,000 baht f. Stock and raw materials worth 21,000,000 baht.
<i>property location</i>	:	78,78/4,78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom 73120 (Block Code : C7303-*TB)
<i>period</i>	:	27 August 2021 to 6 February 2022
<i>Protection limit</i>	:	82,660 000, baht
<i>beneficiary</i>	:	Pioneer Motor Public Company Limited

Contract 3		Bangkok Insurance Public Company Limited
<i>Policy number</i>	:	821-01551-116 Attachment No. 821-0150-265
<i>Policy type</i>	:	Property Risk Insurance by covering loss or damage directly to the insured property caused directly by fire, lightning, windstorm, flood, hail, earthquake or volcanic eruption or an underwater wave or a tsunami, disasters from vehicles, perils from smoke, perils from aircraft, perils from explosions, perils due to water strike, riot or act with malicious intent (except for acts for political, religious or ideological interests) or natural smoldering or explosions and accidents that cannot be anticipated from external factors or other perils that are not specified in the exclusions of the OIC Form.
<i>insured property</i>	:	The insured property consists of 1) Buildings, buildings (excluding foundations) worth 15,000,000 baht
<i>property location</i>	:	78,78/4,78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakornpathom 73120 (Core department building)
<i>period</i>	:	7 July 2021 to 6 February 2022
<i>Protection limit</i>	:	15,000,000, baht
<i>beneficiary</i>	:	Pioneer Motor Public Company Limited

1.3 Shareholding Structure of the Group

1.3.1 Shareholding Structure of the Group



Subsidiary

VSM (Thailand) Co., Ltd.(VSM Thailand") [VSM Thailand COMPANY LIMITED]

founding date	: 27 April 2015
office location	: No. 9/219, Village No. 5, Phaholyothin Road, Khlong Nueng Subdistrict Khlong Luang District Pathum Thani Province
nature of business	: Manufacture of motors and generators
Registered and Paid Capital	: 100,000 baht
Number of common shares	: 1,000 share
par value per share	: 100 baht per share
company director	: 1.Mr.Wasun Itthirojanakul 2.Ms.Sirirat Itthirojanakul 3.Mr.Christopher Robert Tape with Mr.Wasun Itthirojanakul or Ms.Sirirat Itthirojanakul co-sign with Mr.Christopher Robert Tape
relationship with the	: VSM (Thailand) Co., Ltd. is a subsidiary of the Company in which the company

company	holds shares 998 shares, representing 99.98% of the registered capital of VSM Thailand and having the same directors as the Company, namely 1. Mr.Wasun Itthirojanakul 2. Ms.Sirirat Itthirojanakul 3. Mr.Christopher Robert Tape
shareholder structure	: Pioneer Motor Public Company Limited holds 998 shares, representing 99.98 percent.
	Mr.Wasun Itthirojanakul Holds 1 share representing a percentage of 0.01%
	Ms.Sirirat Itthirojanakul Holds 1 share representing a percentage of 0.01%

2 Shareholders

The list of top ten major shareholders as of 19 January 2022 is as follows.

Shareholders	No. of shares held	% of paid up capital
1. Group Itthirojanakul	389,592,700	63.198
Miss Prangvadee Itthirojanakul	67,642,740	10.973
Miss Chidchanok Itthirojanakul	65,577,840	10.638
Miss Narerat Itthirojanakul	64,978,100	10.540
Miss Sirirat Itthirojanakul	64,966,700	10.539
Mr. Papat Itthirojanakul	64,966,600	10.539
Mr. Wasupol Itthirojanakul	58,600,020	9.506
Mr.Wasun Itthirojanakul	2,860,700	0.464
2. Mr. Nopparit Phanthitra	9,201,400	1.493
3. Thai NVDR company limited	7,314,538	1.187
4. Mrs. Podjamarn Wongsuwan	4,000,000	0.649
5. Miss Waranthon Vanawit	3,000,000	0.487
6. Mr. Nipphon Sangwanmanon	2,700,000	0.438
7. Mrs. Wanna Akkaneewanich	2,503,300	0.406
8. Mr. Subin Wititawarodom	2,237,100	0.363
9. Mr. Tiwa Chinthadapong	2,143,500	0.348
10. Mr. Sittikorn Piyawattanapong	1,743,500	0.283
Retail investors	192,029,623	31.150
Total number of shares	616,465,661	100.00

Remark: List of major shareholders of the Company this includes related shareholders under Section 258 of the Securities and Exchange Act B.E. 2535 and shareholders under the same controlling person. By Itthirojanakul family with a total shareholding proportion of 63.198, consisting of the No. 1 shareholder and Mrs. Podjamarn Wongsuwan, who hold the total number of shares 4,000,000 shares representing 0.649 percent of the paid-up capital

Shares held by the Board of Directors and management, including their spouses and underage children

No.	Name - Surname	Position	No. of ordinary shares (shares)			No. of shares increased (decrease) In 2021 - 2022	Proportion of shares held (%)
			As of 11 Mar. 2020	As of 11 Jan. 2021	As of 19 Jan 2022		
1.	Mr. Satian Pooprasert	Chairman of the Board	-	-	-	-	-
	Spouse and underage children		-	-		-	-
2.	Miss Jirayong Anuman-rajadhon	Chairman of Audit Committee / Independent Director	-	-	-	-	-
	Spouse and underage children		-	-		-	-
3.	Mrs. Pennapha Dhanasarnsilp	Audit Committee Director / Independent Director	-	-	-	-	-
	Spouse and underage children		-	-		-	-
4.	Police general. Sakda TechaKriengkrai	Audit Committee Director / Independent Director	-	-	-	-	-
	Spouse and underage children		-	-		-	-
5.	Mr. Wasun Itthirojanakul	Board of Directors / Managing Director	500,000	2,860,700	2,860,700	No change	-
	Spouse and underage children		-	-		-	-
6.	Mr. Christopher Robert Tape	Board of Directors / Deputy managing director	2,000,000	2,000,000	2,000,000	No change	-
	Spouse and underage children		-	-		-	-
7.	Mrs. Podjamarn Wongsuwan	Board of Directors / Deputy Managing Director in Accounting and Finance	4,000,000	4,000,000	4,000,000	No change	-
	Spouse and underage children		-	-		-	-
9.	Miss Sirirat Itthirojanakul	Board of Directors / Company secretary	64,966,700	64,966,700	64,966,700	No change	-
	Spouse and underage children		-	-		-	-
9.	Miss Narerat Itthirojanakul	Assistant Managing Director in Corporate Support	64,978,100	64,978,100	64,978,100	No change	-
	Spouse and underage children		-	-		-	-
10.	Mr.Papat Itthirojanakul	Production Manager	64,966,600	64,966,600	64,966,600	No change	-
	Spouse and underage children		-	-		-	-
11.	Mrs. Panun Pongpanich	Accounting and Finance	200,000	200,000	200,000	No change	-
	Spouse and underage children		-	-		-	-

Disclosure Policy / Report of the purchase-sale / holding of the Company's securities to the Board of Directors' Meeting

Managing Director or the top 4 of the management level, any person holding a position equivalent to the forth managerial position, including a person holding a position above or equivalent to an account manager and including

spouses and underage children must report the shares holding of the company to the Securities and Exchange Commission within 30 days from the date of holding the position and to report the change in securities holding within 3 days from the date of the change. In addition, directors must report the Company's shareholding to the Board of Directors through the Audit Committee at the end of every quarter. The Audit Committee will consider the securities holding of the directors and report them to the Board of Directors under the activities of the Audit Committee every quarter.

1.4 Amount of registered and paid-up capital

The company has registered capital 213,149,676.75 million baht, paid-up in the amount of 154,116,415 million baht, divided into ordinary shares. 213,149,676.75 shares at a par value of 0.25 per share

1.5 Issuance of other securities

The Company was approved by the Annual General Meeting of Shareholders No. 1/21, held on April 27, 2021 to issue and offer warrants to subscribe for newly issued ordinary shares of the Company. To allocate to the existing shareholders of the Company in proportion to their shareholding (Right Offering) in the amount of not more than 176,133,046 units free of charge. The details are as follows.

Name : Warrant to Purchase Newly Issued Ordinary Shares of Pioneer Motor Public Company Limited No. 2 ("Warrants" or "PIMO-W2")

Distribution method : The Company will allocate warrants to existing shareholders in the portion of their shareholdings (Right Offering). Existing shareholders who entitle to receive warrants are those whose names appear in the share register book at the date that the company determine to be the record date which is on 6 May 2021 (Record Date). The Company will allocate warrants to the existing shareholders in the ratio of 7 existing shares to 2 units of warrant without charge.

Any fraction of shares remaining from allotment will be disregarded and all of remaining warrants after the allocation will be canceled.

Number of Warrants : Not exceeding 176,133,046 units

Offering Price : Baht 0.00 per unit

Exercise Ratio : 1 unit of warrant has the rights to purchase 1 new ordinary share (Par value of Baht 0.25 per share). The exercise ratio is subject to change in accordance with the conditions on the right adjustment as specified in Clause 6. The fraction of shares from the exercise of warrants shall be disregarded.

Exercise price : Baht 1.75 per share

Issuance Date of Warrant : Date 12 May 2021

Expiration Date : Date 11 May 2023

Terms of Warrant : 2 years from the issuance date.

Exercise Date : After the issuance of Warrants, the Warrant Holders can exercise their rights to purchase the Company's shares on any following dates ("Exercise Date")

First date : 27 January 2022

Second date : 27 July 2022

Third date : 27 January 2023

Last date : 11 May 2023

If the exercise date falls on a day which is not a business day of SET, the exercise date shall be moved up to the business day prior to such exercise date.

1.6 Dividend Policy

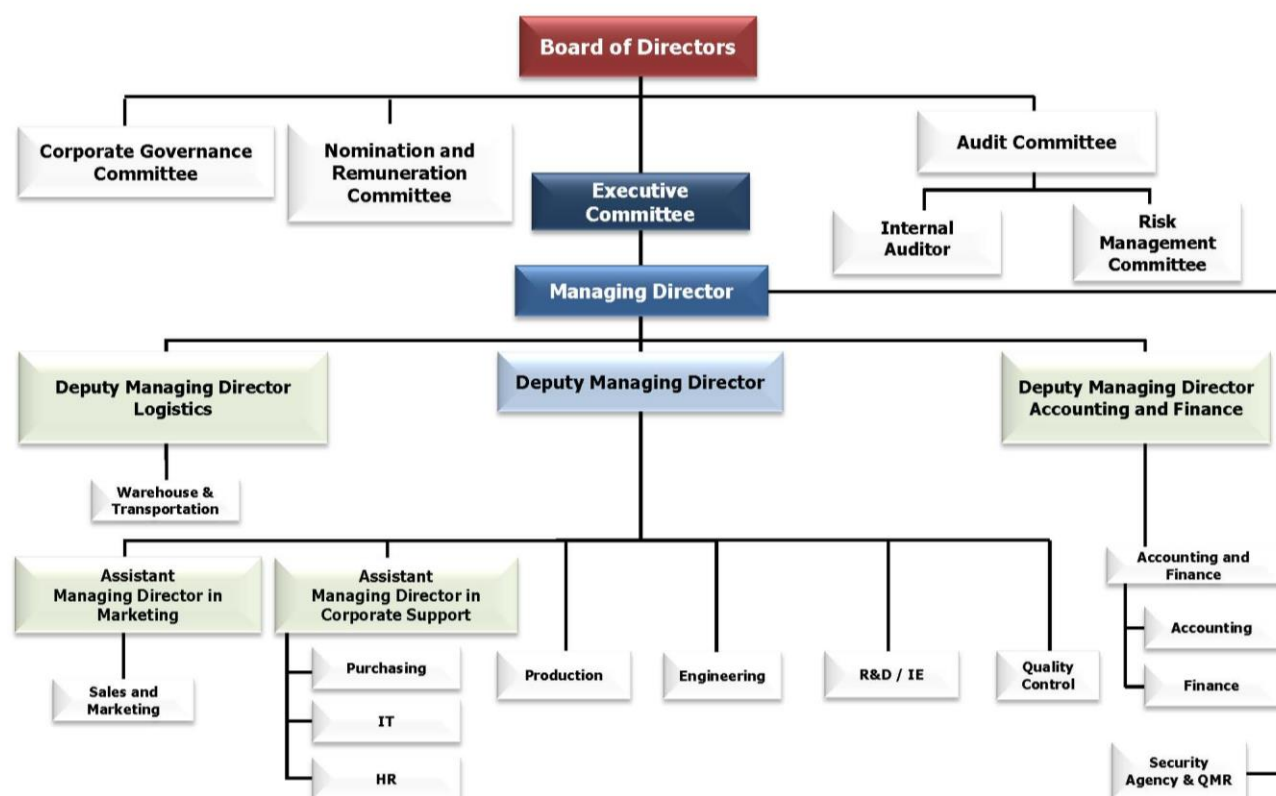
The Company sets a dividend policy to pay dividend each year at a rate of no less than 40% of the net profit of the separate financial statements after deducting all types of reserves as specified in the Company's Articles of Association and the Law, and there is no other necessity and the payment of dividends does not significantly affect the normal operations of the Company.

However, the payment of such dividends may change depending on the performance the Company's, financial status, liquidity, investment plan, and other factors related to management including other necessity and suitability in the future. The dividend payment is within the power of the Board of Directors. In this regard, the Board of Directors' resolution regarding dividend payment approval must be presented to the shareholders' meeting for consideration except for an interim dividend payment in which the Board of Directors has the power to approve the payment of interim dividends and it must be informed at the next shareholders meeting.

The details of dividend payment for the past 3 years of the Company are as follows:

	Year 2019	Year 2020 (1 Jan 20 - 30 Jun 20)	Year 2020 (1 Jul. 20 - 31 Dec. 20)	Year 2021 (1 Jan. 20 - 30 Jun. 21)
Net profit (Million Baht)	27.31	30.50	48.93	44.56
Paid dividends (Million Baht)	11.10	11.10	20.96	11.10
dividend payment (Baht)	0.018	0.018	0.034	0.018
Dividend payout ratio (%)	40.63	36.38	42.83	24.90

Management structure



Remark: - The definition of "management" according to the Notification of the Securities and Exchange Commission No. KorJor. 17/2551 shall be in bold outline.

- The internal auditors of the company are outsourced by appointing Acc-Plus Consultant Co., Ltd. to perform the above function

2. Risk management

2.1 Policy and Risk management

To ensure that the Company's operations are in accordance with the principles of good corporate governance, building stability for sustainable business the operating results were in accordance with the goals set. All executives and employees are involved awareness and understanding of various risks to happen and can find ways to manage risks to prevent or reduce the risk to an acceptable level; Pioneer Motor Public Company Limited would like to announce the Risk management policy as follows:

1. All executives and employees are responsible for risk management throughout the organization with systematic and continuous management that have the same standard
2. All executives and employees must implement risk management as part of normal operations both in the strategic planning process, decision making and day-to-day tasks by applying information technology for maximum benefits
3. All executives and employees are required to report risks that are assessed and prioritized as well as specifying risk management methods and responsible person (Risk owners) by this report must be presented to the supervisor in a hierarchical order.
4. Identifying and managing risks affecting the achievement of company objectives must be managed in a systematic way to keep the risks at an acceptable level and to prevent unforeseen losses to the business as

well as taking advantage of the opportunities that exist; this is to create a balance of business growth, risks and returns of the company.

5. Management and employees must be monitored, assessment of risk management by reviewing and continually participating in the improvement and development of the risk management system to be efficient and effective.
6. The risk-owning entity shall periodically report the risks to the Board and the Executive Committee in accordance with the level of risk through the channels specified in the risk management manual.

The risk management policy may be revised and changed to ensure that this policy is still appropriate and can be implemented effectively in the future.

2.2 Risks in doing business

2.2.1 Operational Risk

The company has given importance to the quality of various processes in order to obtain quality products that meet the needs of customers and have excellent service, create maximum customer satisfaction. So, the company has a plan to prevent risks that will occur with a risk management plan preparation to have sufficient production capacity. Preparation of machine maintenance and spare parts are ready but various risks to operations may arise as follows:

1. Risk from relying on large customers

The company currently produces motor for pumps used in residents for one customer which can be considered as a large company with good financial position. The sales volume from this customer was 254.82 million baht; a large amount as it accounts for 25.72 percent of total sales revenue in 2021. If this customer cancels or significantly reduces the order and if there is no other customer to replace this amount, the Company's performance will be significantly affected. However, this customer has been a customer of the Company since 2012 and there is a sales agreement with in the form of a "Purchase Agreement" with a contract period of 1 year from the effective date until either party submits a claim to the other party. The contract will be extended for another one year. If the contract is to be terminated, at least 30 days notification is required. In addition, there will be no sales limit on the contract hence the sales amount depends on the buyer's purchase orders according to the negotiation agreement with the company from time to time.

Risk Management measures:

The company has always followed the terms of the contract and has built up a good relationship with this customer. On time delivery as well as good after-sales service was always emphasized in order to maintain customer's satisfaction and this customer has gained confidence in the company on both product quality and service. However, in order to reduce the risk of this matter, the Company has a policy to reduce the level of dependence on large customer by adding more product categories to the market and focus on building the company's brand to be strong and distribute products to the end users.

2. The risk of not entering into a sales contract with Original Equipment Manufacturer customer (OEM)

The majority of our customers are customer that require made to order for various brands (Original Equipment Manufacturer: OEM) and the OEM customers purchase motors for air conditioners and motors for home water pumps. In 2021, the company has revenues from sales to OEM customers of 306.07 million baht or 30.89% which

is a group of customers with sales inferior to foreign customers. This is the highest sales volume group. This group usually uses purchase order from time to time and there is no written contract between each customer and the Company. The Company faces risk in the event that these groups of customers cancel or reduce the amount of purchase order. This will affect the operation of the company.

Risk Management measures:

However, the company has always built a good relationship with this group of customers by focusing on providing good quality products as they use the motor part to assemble the air conditioner and domestic water pump under the customer's own brand. Furthermore, the company also maintains good service and punctual delivery as well as after-sales service to gain the trust of this group of customers. From the Company's data, it was found that these groups of customers have a long trading history with the Company and continuous purchase order.

3. The risk of free trade agreement and stepping into the ASEAN Economic Community (AEC)

In 2021, the company mainly distributed products to domestic customers and the amount was 470.13 million baht, accounting for approximately 47.44 percent of total sales while the sales volume to international customers was 520.78 million baht, or approximately 52.56 percent. Our production is based in Thailand and we use Thai labor in operating our business. Therefore, stepping into the ASEAN Economic Community (AEC), which is a regional economic cooperation of the countries in Southeast Asia (ASEAN) 10 countries will result in a free movement of resources, capital, labor and trade among ASEAN markets. This may lead to more competition in the industry.

Risk Management measures:

However, our main products that continue to increase in sales volume are motor, house pump and pool motor which accounted for approximately 50 percent of the net sales revenue, followed by air conditioning products. According to the industry's data, the world's leading electrical appliance manufacturers still use Thailand as their production and export base. Especially, the air conditioner which Thailand has the second largest export value in the world due to the availability of basic utilities as well as skilled workers. In addition, there is an increase in investment to use Thailand as a production base for exporting to the ASEAN market which will benefit the company. In addition, the company plans to expand the sales to the ASEAN market and reduce the risk of domestic competition.

4. The risk of increasing number of competitors

The business of producing and distributing air conditioner motor products, industrial motors pumps, centrifugal pumps and motors for pools and spas all have one common key component which is motor. The technology used for producing motors is not sophisticated and the investment required to start the business is not very high making it easy for new competitors to enter the business. There are competitors with similar business operation nearby our production base, and the competition is mainly focused on price. In addition, there are also competitors from low-cost in international companies from China that are exporting to various countries. As a result, the level of competition in the business is quite high.

Risk Management measures:

However, most of the customers prefer to focus on product quality rather than price factor; this is in line with the Company's policy which primarily emphasize on quality and effective production standards as well as providing excellent service to create good impression on the customers. In addition, the company has plans to expand our international market in order to provide comprehensive market coverage.

5. Risks about Production rights and sales rights

The company's product BLDC Pool Motor for pool and spa is patented by VSM Inc. (USA) and Pioneer Motor Public Company Limited has obtained the rights to be the sole manufacturer and the sole distributor in American market. This type of motor production process uses a fairly sophisticated production technology and special equipment for inspection at every stage of the production. It also uses electronic equipment or a specific circuit board for controlling the operation of the motor. Therefore, it is quite difficult to copy and there is very low competition in this product group.

6. Raw material price volatility

The company operates in manufacturing air conditioner motors, industrial motor pumps, centrifugal pumps and motors for pools and spas. The main raw materials required are copper, silicon and aluminum which accounts for 56.87 percent of the total cost of raw materials in 2021. The price of such raw materials fluctuates according to the demand and supply in the global market.

Copper is a fundamental consumer product that is essential for economic growth. It is found that the copper market price fluctuates according to economic conditions and growth in key business sectors. As the aluminum production process has very high energy consumption, the change in crude oil price has an effect on the aluminum price. For the silicon it is mainly used in the aluminum industry and aluminum alloy and followed by the chemical industry. The change in purchasing price depends on the production volume and industry demand. The changes in price of copper, silicon and aluminum have been fluctuating following the trend of future prices set in the global markets. This has affected the operating costs of many companies.

Risk Management measures:

The company needs to keep updating the trend of these raw material prices in order to plan and manage the purchase of raw materials efficiently. The company also manages the raw materials' stock in accordance with the demand to be sufficient for the production in a timely manner for the changing situations. This is to control the proportion of cost of sales so that there is no fluctuation that significantly affects the Company's operating results.

7. Risk of shortage / dependence on the procurement of key raw materials

From the raw material purchasing record in 2021, the company had purchased copper wire which accounts for 26.00% of raw material, silicon steel at 23.52% and aluminum at 7.35% of the total order value. Although the raw material purchase comes from a few suppliers, the company operates in accordance with established procurement policies which states that the prices must be compared among more than 1 sellers and the seller must be re-evaluated at the specified period according to the procedure. This is to ensure that the products ordered are of high quality and at reasonable in price. In order to maximize the benefits of the company, there are always recruiting new distributors in order to obtain quality raw materials. Furthermore the company manages so that purchasing of raw materials and the stock are in line with the demand to be used in production process sufficiently. So far the company has never encountered any shortage of raw materials. At present, copper is the main raw material with the highest purchase value. The company has purchased from a large and reliable domestic company which has a long history of operation. It is well known in the motor industry and the quality of the products is good, hence the company mainly import from this supplier.

8. Risk from safety, environment and community problems

The company understands the importance of issues related to safety, environment and surrounding communities therefore has a policy and operating procedure to have a good management for the health and safety of employees and in accordance with the law by providing knowledge and understanding to employees at all levels. Safety and environmental training is organized.

Risk Management measures:

The company knows the importance of employee safety therefore there has been clarification and presentation of information about health and safety throughout the organization, such as the White Project for a Drug-Free Workplace, Scheduling maintenance of machinery and equipment, Annual health checks for employees, Checking and eliminating various unsafe points in the workplace fire evacuation, fire drill, etc. The company has developed to reduce energy consumption by a solar rooftop project to generate electricity for use in the factory, using LEDs in the factory etc.

9. Information technology security risks

Information technology risks are important and can directly affect the operations of the company therefore, the company has planned and invested to develop work systems to support new technologies and prevent potential risks by updating the network system regularly. There is a strict security and there are systematic measures for accessing information of each party. Data systems are backed up to certify emergencies that may arise.

10. Risk from corruption problems

The Company realizes the seriousness and importance of corruption problems from bribery, lack of transparency at work, these will damage the reputation and hinder the sustainability of the company. Therefore, the company has set up anti-corruption policies as a guideline for the operations in various departments and there is also a whistleblowing policy to be a channel for stakeholders to report directly to the company. In addition, the company has announced its intention to join the Thai Private Sector Collective Action Coalition Against Corruption (CAC) and is committed to obtaining certification from the said project so that stakeholders from all sectors have confidence in the Company that it will conduct business with fairness, transparency and free from all forms of corruption.

11. Corporate Governance Risk

The company has Itthirojanakul family that is a group of major shareholders by holding 63.198% of the paid-up capital (after the IPO). Therefore, the Company and/or minority shareholders may have a risk from the group influence on the management policy in one direction because they hold more than half of the total shares except for any act that is required by law or the Company's Articles of Association to be approved by the shareholders' meeting for more than three-fourths of the registered and paid-up capital.

Risk Management measures:

The Company has an Audit Committee which has 3 independent directors out of the total 8 directors of the Company, all of whom are qualified and recognized in the society. Therefore, it helps to increase efficiency and transparency in management through the mechanism of the internal control system and is a balance of powers of the Board of Directors, including The Board of Directors takes into account the importance of the Principles of Good Corporate Governance policy by strictly following the good corporate governance guidelines strictly, and the company. There is a scope of authority and set a schedule of authority to approve transactions for each level within the appropriate scope or limit.

2.2.2 Financial Risk

1. Foreign Exchange Rate Risk

Because the company has transactions with international supplier and customer, there is a purchase of raw materials with foreign partners. In addition, our products are exported to many overseas customers, making the company exposed to foreign exchange fluctuations. In 2021, the company exported products to international market amount 520.78 million baht and purchased raw materials amount 48.19 million baht. Therefore in case that the baht exchange rate fluctuates in a strong direction, the company will have a significant negative impact on revenue from sales of goods. However, the company has hedged the exchange rate risk by entering into a forward contract with a bank, thereby reducing the risk of the exchange rate that may occur as of 31 December 2021. The Company has a foreign currency forward contract limit with a bank value of 45 million baht and a US dollar amount of 1.00 million US dollars.

Risk Management measures:

However, the Company has hedged against foreign exchange risk by entering into forward contracts with banks, thereby reducing foreign exchange risks that may occur. In addition, the company also manages US dollar denominated accounts to be able to find suitable ways to manage the risk of exchange rate fluctuation including giving importance to and monitoring the situation in order to be able to find a suitable way to manage the risk of exchange rate volatility.

2. Risk from interest rate volatility from financial institution loans

Because at present, the Company does not use credit services from financial institutions, it may be necessary to use credit services from financial institutions to invest in new product projects. Therefore, there may be interest rate risk but if considering the interest rate that the company receive offers from current financial institutions which is a special interest rate that the company able to manage. The interest payment ratio is not very significant because even if the interest rate is adjusted, it does not affect the performance of the company significantly.

2.2.3 Strategic Risk

The company has a goal to invest to expand the business and maintain competitiveness in the industry. Therefore, it has been brought State-of-the-art technology and innovations are used in various processes and the company continues to find investment opportunities for sustainable growth and if it can be done as planned, it will be a long-term strategic goal. The company also attaches importance to develop employees to be able to use automation systems such as automated machines, semi-automatic machines with the promotion of learning so that they can be used in real practice to support cost reduction policy, to increase production efficiency, reduce waste, reduce accidents etc.

1. Risk from industry trends changes

The Company is aware of changes that may affect the Company's business in the long term. The trend of change is regarded as the focus is on technological changes, such as the adoption of electric motors that save energy. The company sees that risk therefore set up a research and development unit that was established in the company to support growing in the use of more energy-saving products and has begun to produce products that save electricity in order to reduce the risk.

2 Risks from competition in the industry

The motor industry has a very competitive rate. There is a risk of losing orders from customers to the manufacturer and may cause significant damage to the company. But because the company is one of the largest manufacturers in the country and have effective operational standards make confidence from customers. And the company sees the importance of building a good relationship with customers thus creating confidence for customers for a long time.

2.2.4 Compliance Risk

The Company places importance on compliance with the rules related to business operations. There are various rules and regulations to be in accordance with the laws, regulations and regulation and will be reviewed, changed, and improved to be in line with business operations.

3. Driving business for sustainability

3.1 Our policy to drive business for sustainability

Our company is committed to add value to the economy, society and environment. We have established guidelines for sustainable development to serve a long-term business guideline for the organization and the stakeholders in terms of the economic, social, energy and environment as well as the whole business chain under the principles of good corporate governance. Our goal is to ensure that operations are in line with the United Nations Sustainable Development Goals (UN SDGs). The sustainable development framework has been established as a key mechanism in enabling stakeholders to achieve all 17 goals, of which the Company has 10 development goals as follows:



Pioneer Motor and Sustainability

Our vision and corporate values focus on the quality of our products, on time delivery and customers' satisfaction under uncertain economic challenges. The Company is well aware of its roles and responsibilities towards the environment, society, and good corporate governance by devoting resources to research and development to maximize the efficiency of our innovation. We aim to provide high quality products while maintaining the risk management, offering the development of employees' potential and treating our business partners, the communities and other stakeholders with morality, ethics, and responsibility. We work under the management framework that covers all dimensions and processes in accordance with corporate values towards sustainability as follows:



The Company has established a framework for sustainable development to create long-term values for the organization and its stakeholders. The Corporate Governance and Sustainability Development Committee has approved the framework for sustainable organization development which aims to create a balance between economic, social, energy and environmental development by enhancing economic competitiveness, creating social equality, and preserving natural resources.

During the past year, the coronavirus epidemic has resulted in the global economic slowdown. This leads our Corporate Governance and Sustainability Development Committee and the subcommittees to review the sustainability issues and focus on topics regarding income and the health of all stakeholders. The issues that have been defined are covered and the framework for sustainable development is as follows:

Framework for sustainable development

Economic dimension	Social dimension	Environmental dimension	Supervision
<ul style="list-style-type: none"> - Performance and business growth : sustainable growth - Innovation : Create new technology - Value Chain Management : Increase Capabilities - Business Competitiveness : able to respond to the needs of customers 	<ul style="list-style-type: none"> - Human resource development: develop employees to have potential - Motivating and Retaining Talents : Motivate employees to stay on long term - Good working environment - Participation and development in community : Create careers for people in the community 	<ul style="list-style-type: none"> - Greenhouse Gas Management : Develop into a low-carbon organization - Product Responsibility : Safe Products - Efficient use of resources: promote sustainable production and consumption - Energy Management : Develop new energy that is sustainable - Water Management : Integrated water management both in terms of quantity and quality. - Reduction of waste and contaminants: Optimize resources throughout the value chain 	<ul style="list-style-type: none"> - Corporate governance and business ethics : Conduct business with transparency, ethics, and responsibility to stakeholders. - Management of risks and opportunities - Business continuity management: Manage uncertainties that can affect the business.

Sustainability Management Goals

The company has set sustainability management goals which consist of economic dimensions, environmental dimensions, and social dimensions by focusing on customer centricity, leading to the development of safe and environmentally friendly products to meet the needs of customers. Furthermore, the Company continues to value and operate under the business with a commitment to manage the stakeholder groups to be in balance. This year, the company emphasizes on using a flexible and adaptive approach in its operations in order for the company to continue to operate its business continuously and sustainably.

Management approach

The company is committed to conducting business in accordance with the rules and regulations including the resolutions of the shareholders' meeting strictly by combining the ESG risk (Environmental, Social and Governance risk) issues with the organization's risk management system. Our operation is under the supervision of the Sustainability Development Committee whereby the committee monitors sustainability performance through meetings as well as annual business unit visits.

Sustainability Management Performance

	Indicators	Long term goals	Goals for 2021	Achievements in 2021
Employees	- Training hours	- 18 hours / person / year	- 12 hours / person/ year	- 6 hours/person / year*
Business	- Increase sales	- Increase by 10 – 20 %	- Increase by 20 %	- Increase by 20 %
	- Add product	- more than 1 product / year	- more than 1 product / year	- Centrifugal Pump, New model Pool pump in 3 sizes
Environment	- Green area	- Increase the number of trees in the area by 5% per year	- 20 trees	- 16 trees

Managing impact on stakeholders in the business value chain

Value Chain Management

The Company manages the business value chain by applying the principles of sustainable development risk management, business strategy management and crisis management from the COVID-19 situation (Covid-19 Crisis Management) to formulate a value chain management approach to reduce the impact of risks by considering the entire process from upstream to downstream under the adapt and adjustment approach to ensure sustainability. We create opportunities for the company to grow in the long term by being customer centric. This leads to the development of a value creation process based on the circular economy principles, which emphasizes on meeting customer needs and achieving operational efficiency in accordance with economic, environmental, energy and social goals. Together with the development of production technology, this leads to the creation of value-added process through cooperation with all parties under the principles of good governance which will lead to development both businesses, social and environmental sustainability.

1. **Raw material procurement:** Procure raw materials that are environmentally friendly. All raw materials must have RoHs supporting documents.
2. **Production:** Robots and renewable energy are used in the production process. The production process considers the reduction of impacts on the community and environment while quality improvement is maintained with measures for safety, occupational health and fairness to workers.
3. **Marketing and Sales:** The Company focuses on the needs of customers and adjusts the sales model to focus on proactive sales with online channel and considers the protection of customers' personal information as the prime concern.
4. **After-sales service:** Customer satisfaction is assessed. Their opinions and suggestions from both online and offline channels are well considered. In addition, the company also focuses on building and maintaining good relationships with customers.

Identifying stakeholders, Communication channels with stakeholders and operating results with stakeholders

The Company has identified key stakeholders which consist of the key stakeholders, i.e., customers, business partners/ subcontractors/ suppliers / employees and shareholders / financial institutions. The secondary stakeholders are communities/society and government agencies/government organizations. The company implements a plan to build stakeholder engagement including reviewing channels for communicating expectations and concerns of the stakeholders throughout the value chain as follows:

Stakeholders	Stakeholder expectations	Response to Stakeholders	Channels for participation and communication
1.Shareholder s/ Financial Institutions	<ul style="list-style-type: none"> • Good return on investment. • Good Governance (transparent and verifiable) • Continuous business growth. • Sustainable business development • Operations are done with responsibility towards the society, community, and environment • Increasing competitiveness • Good inspection system. 	<ul style="list-style-type: none"> • Good corporate governance (fair and transparent) • Commitment to sustainable development of the organization. • Generating good profits. • Paying dividends/ repaying debts • Transparent disclosure of information • Support public activities. • Manage risks carefully. • Increase productivity and develop new products. 	<ul style="list-style-type: none"> • Annual Shareholders' Meeting • Annual Report/Sustainability Report • Activities to meet up with investors • Complaints channels are available through various channels • Quarterly performance announcements • Opportunity to visit the factory
2. Domestic and international Customers	<ul style="list-style-type: none"> • Product quality is guaranteed. • Prices of goods and services are appropriate. • Products meet the customers' needs. • Products are safe and environmentally friendly. 	<ul style="list-style-type: none"> • Responding to customer satisfaction • Managing customer dissatisfaction. • Development of high-quality products with low cost and environmentally friendly 	<ul style="list-style-type: none"> • Provide customer satisfaction and dissatisfaction survey. • Meeting with customers • Opportunity to visit the factory • Opportunity to participate in the development of product and process

Stakeholders	Stakeholder expectations	Response to Stakeholders	Channels for participation and communication
	<ul style="list-style-type: none"> • Keep customer information confidential. 	<ul style="list-style-type: none"> • Keep customer information confidential. 	<ul style="list-style-type: none"> • After-sales service
3. Employees	<ul style="list-style-type: none"> • Treating employees with fairness. • Job security and advancement opportunity • Promote learning and development of employees. • Ensure healthy and safety environment • Fair compensation and benefits. • There is equality in work duties. 	<ul style="list-style-type: none"> • Employee Training and Development • Safety working environment • Various activities • Management satisfaction and dissatisfaction as appropriate • Comply with the human rights policy and the provident fund Policy 	<ul style="list-style-type: none"> • Performance appraisal. • Complaints can be received through the receiving channels such as a comment box • Establishment of a working group
4. Partner/Contractor /contractor supplier	<ul style="list-style-type: none"> • There is a fair and transparent procurement process . • Preventing accidents which may causing business interruptions and affect the community • Comply with all agreements fairly. 	<ul style="list-style-type: none"> • Value Chain Management • Audit supplier • Fair procurement process • Ensure healthy and safety environment • Join in designing and developing an environmentally friendly processes and products • There is an anti-corruption policy. • Good corporate Governance and conduct annual report 	<ul style="list-style-type: none"> • Supplier Assessment • Communication through electronic media and phone regularly
5. Community / Society	<ul style="list-style-type: none"> • Reducing the negative impact from Operations on the community and society. • Supporting community activities. • Promoting career opportunities. • Comply with the principles of human rights and anti-corruption scheme 	<ul style="list-style-type: none"> • Procurement of products or raw materials from communities that are suitable for the company's operation. • Management of environment such as greenhouse gas, water and wastages. • Support students internships opportunities. • Support local employment and sustainable income generation. • Has responsibility on social and community and comply with the principles of human rights and anti-corruption scheme 	<ul style="list-style-type: none"> • Community development activities • Create jobs and income for the community and society.
6. Government agencies /	<ul style="list-style-type: none"> • Compliance with laws and regulations 	<ul style="list-style-type: none"> • Good Corporate Governance • Energy efficiency management 	<ul style="list-style-type: none"> • Reporting results to government agencies.

Stakeholders	Stakeholder expectations	Response to Stakeholders	Channels for participation and communication
government organizations	<ul style="list-style-type: none"> Reducing the impact on the community, the environment and society Cooperate with various government projects. 	<ul style="list-style-type: none"> Environmental management i.e., energy, water, and wastages according to standard Disclosure of operating results through scheduled report Dissemination/exchange/research on development and innovation* 	<ul style="list-style-type: none"> Participation in various government projects and activities.

3.2 Sustainability management in environmental dimensions

Sustainability management in the environmental dimension consists of the following:

1. Environmental Management Policy
2. Determining the action plan
3. Implementation of plans
4. Monitoring and Evaluation
5. Continuous review and improvement

The company is aware of its responsibility towards the environment and has joined the Green Industry project as well as initiated a green purchasing project by choosing products marked with a "green label" to encourage manufacturers to focus on reducing environmental impact. For the transportation part, the company has installed GPS devices to all of the vehicles (the equipment must be certified by the Department of Land Transport) to help control the driving standards of drivers such as the driving speed, the driving distance or avoid starting the engine while the vehicles are parking, etc. These will be reported to the management meeting regularly.



The company has joined the Green Industry project by the Ministry of Industry and has been declared a green industry level 2 (Green Active: Green Active is operating while reducing the impact on the environment successfully according to commitment)



The Company has chosen "green label" products for the photocopiers rental and computers purchased for used in the office.

Water management

It is well known that the average global temperature is rising, and this is a major contributor to the melting of polar ice caps and the rise of the sea level, disasters and severe climate change in many areas, such as droughts and flash floods including changes in the quantity and quality of water in natural water sources from many areas. Thailand is one of the regions that is facing risk of impacts from climate change. The company has established water management strategy according to the strategy of preserving and protecting natural resources which consist of the efficient use of water resources according to the 4R principles, namely Reduce, Reuse, Recycle and Replacement. The company also implements the control of water wastage discharge to be higher than the discharge standards required by law. This is done by developing production processes with technology and working with partners to develop environmentally friendly chemicals that can reduce the amount of hazardous waste or reuse wastewater. The company has established guidelines for water resource management and operational goals as follows:

Guidelines for water resource management

The Company has established an action plan to increase the eco-efficiency of water use per unit of product. The risks from increasing the proportion of recycled water have been managed and the awareness of preserving and protecting natural water resources throughout the business value chain are considered. The company works to improve and promote maximizing the benefit from the use of water resources by supporting efficient and sustainable water management by carrying out the management as follows:

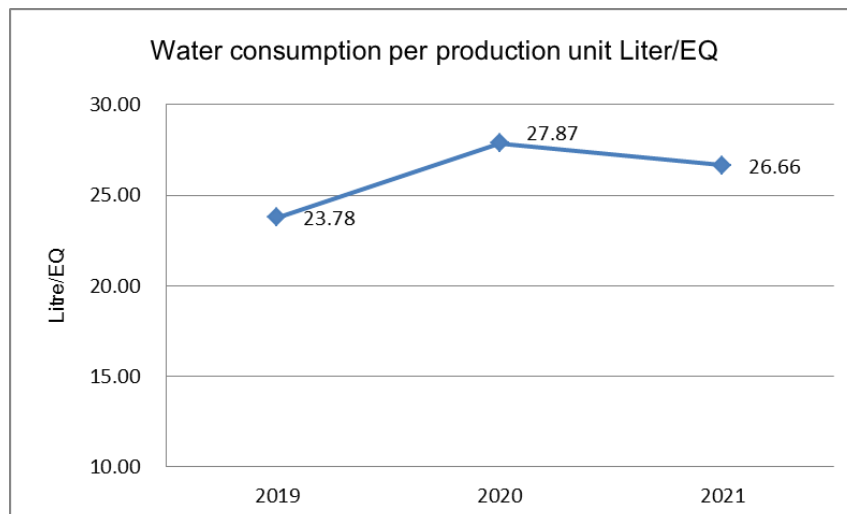
- Determine environmental management policies and the goal of reducing the amount of water used
- Analyze the physical and chemical data on the quality of incoming and outgoing water.
- Cooperate with stakeholders to develop/improve the reduction of water consumption by reducing and reusing
- Increase the amount of water reuse and recycle as well as change of raw material replacement.
- Monitor and control the water consumption per unit.

Water resource management performance

Water consumption per product unit (Litre/EQ)

Performance results from the eco-efficiency optimization from water use per unit of product showed that the production of 1 EQ product uses a 1.21 percent decrease of water from the base year of 2020.

No.	Details	Water consumption per product unit			Compare year 2020 / year 2021 increase (decrease)	Average (%)
		2019	2020	2021		
1	Production amount (body)	707,724	822,323	911,521	89,198	10.85
2	Water consumption / cubic meter(m3)	16,830	22,915	24,300	1,385	6.04
3	Liters/Product Unit (Litre/EQ)	23.78	27.87	26.66	(1.21)	(4.34)



Making the most use of water

The company uses water in the most cost-effective way by turning on the water only when it is needed, use water sparingly, not leaving it open or let it overflow. The water left over from washing dishes, mopping the floor are being reused or being treated for use in watering plants and gardens instead of wasting it unprofitable. There are also regularly maintenance checks for water pipes to prevent the leakages.



The company makes a good use of the empty space within the company by having employees help plant various trees such as coconut trees, mango trees, papaya trees, bamboo trees, etc. and also use the treated water to water the trees.

Wastages and contamination management

The Ministry of Industry has a policy to promote the development of eco-industry with indicators covering 5 dimensions which are physical dimensions, economic dimensions, social dimensions, environmental dimensions and management dimensions. This is to achieve sustainable development which leads to a low-carbon society in the future.

Business operations that do not have a good hazardous waste management may result in various environmental problems such as impacts on water quality, soil quality, general scenery and air quality resulting greenhouse gases that affect global warming. Therefore, the Company has applied the circular economy concept to minimize waste and use resources efficiently by developing indicators to increase eco-efficiency tool for organizational development according to the 4R principles, which are: Reduce: reduce waste, Reuse: reuse to extend service life, Recycle: recycling to use again and Replacement: replace by using environmentally friendly substitutes. This leads to a reduction of hazardous waste from the production process to the landfill to be zero. The company has guidelines for sustainable waste management.

Wastages and contaminant management guidelines

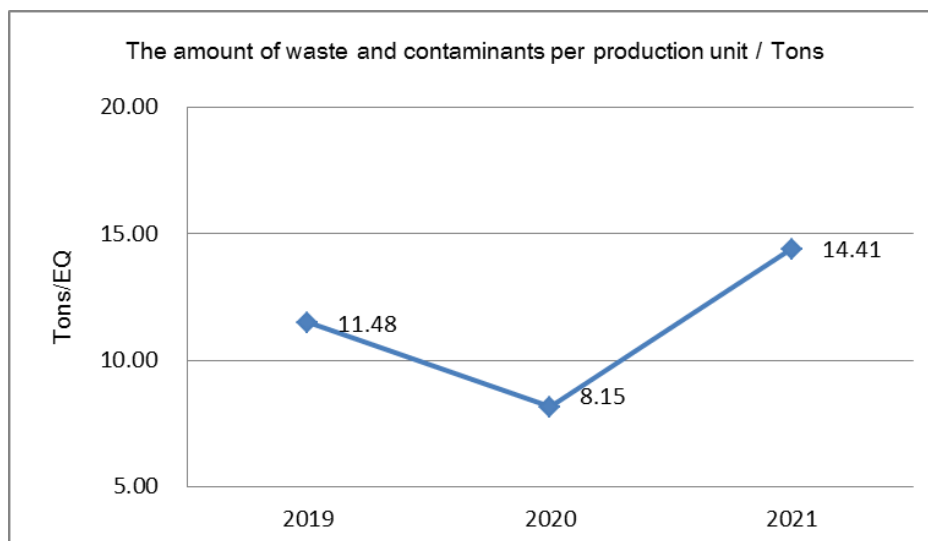
The Company has established an action plan to reduce the amount of hazardous waste per product unit whereby the wastages are classified, stored, and disposal methods are developed to reduce the amount of waste and add value to the waste according to the 4Rs principle. This leads to the reduction of greenhouse gas emissions and reducing waste. Sustainable production and consumption are accomplished by implementing waste and contaminant reduction management as follows:

- Determine environmental management policies and goals for waste and contaminant management
- Prepare a list of waste, methods for eliminating waste and assessing greenhouse gas emissions
- Cooperate with stakeholders to develop/improve technologies and innovations to reduce the amount of hazardous waste by Reduce/Reuse
- Increase the amount of reuse, recycle, or change of raw materials/replacement methods.
- Monitor and control the amount of waste reduction from the base year by using the Control Chart.

Waste and Contaminant Management Performance

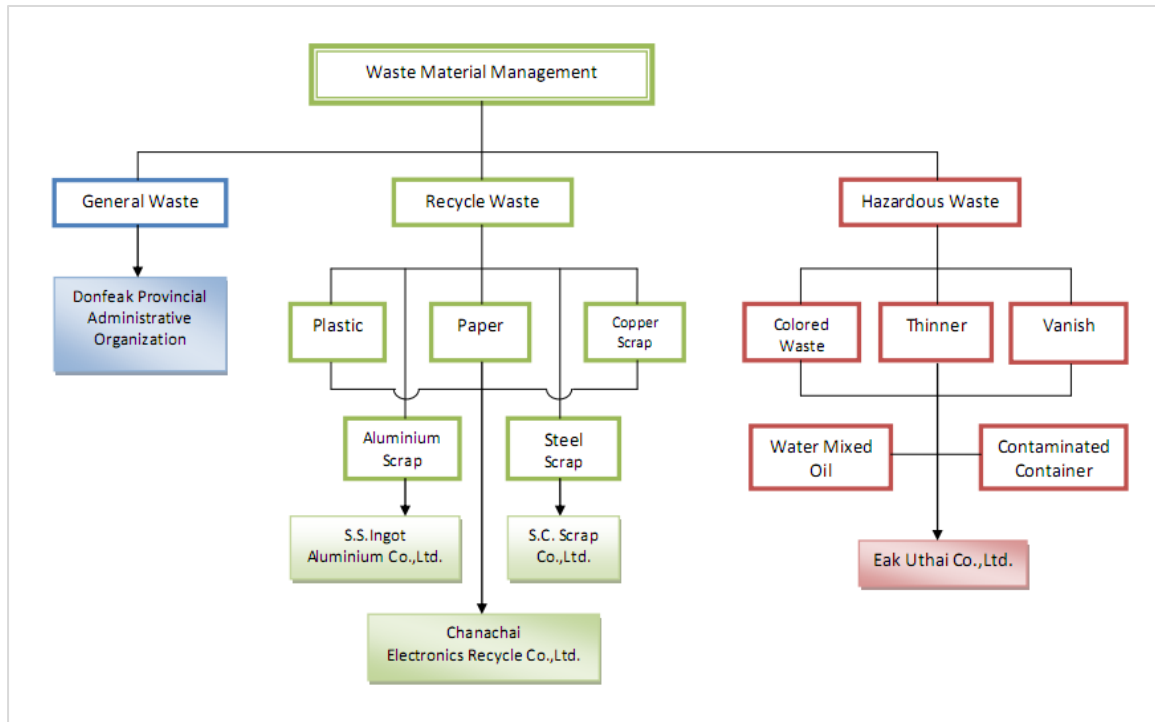
The amount of hazardous waste per product unit found that the production of 1 EQ product caused a 6.25% increase in hazardous waste from 2020 due to the amount of products produced increased significantly.

No.	Details	The amount of waste and contamination generated			Compare 2020/2021 increase (decrease)	Average (%)
		2019	2020	2021		
1	Production volume (unit)	707,724	822,323	911,521	89,198	10.85
2	Waste / tons(tons)	11.48	8.15	14.40	6.25	76.69



Waste material management

The company has measures to manage hazardous waste or waste that may pollute the ecosystem by reclaiming hazardous waste to destroy by a third party that has been certified as required by law.



General waste is a non-production waste such as plastic bags contaminated with food waste, plastic wrap, snack wrappers. The staff will collect the bin and bring it to the dumping point. The local sub-district administrative organization will regularly come to collect the waste.



Hazardous waste is the waste from the production process that is contaminated with various hazardous substances such as coolant, paint shavings, contaminated rags. The external company that has passed the company's audit criteria will come to purchase the hazardous waste to management further.

Recycled waste is the waste that have be reused such as plastic, silicon, aluminum, paper, scrap, etc., will have outside companies that have passed the audit criteria of the company. Come and buy it to bring it back to forge again. The external company that has passed the company's audit criteria will come to purchase the recycled waste to management further.



Paper, aluminum scrap storage room Steel scrap

silicon scrap

aluminum scrap

Greenhouse Gas Management

The company is committed to reducing energy consumption such as reducing electricity consumption and campaigning to use energy cautiously. The company has measures to reduce electricity consumption as follows.

- i. Public relations campaign to save electricity.
- ii. Turn off the electricity in the unused area for half an hour before the end of work.
- iii. Control the air conditioner temperature to 25 degrees.
- iv. Plan to use alternative energy such as the use of solar cell roofs.

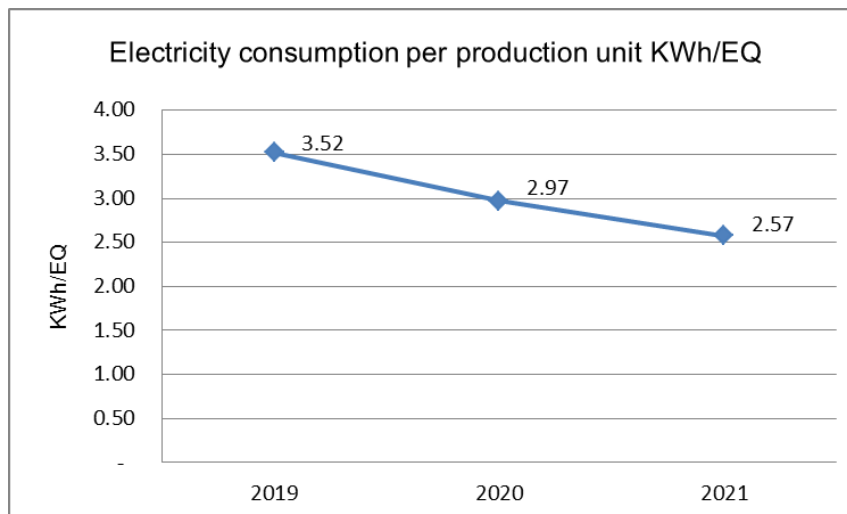
Indicators for the use of renewable energy in the business

No.	Details	Indicators for the adoption of renewable energy in the business (Installation of solar power generation system)			Compare 2020/2021 increase (decrease)	Average%
		2019	2020	2021		
1	PEA electricity consumption (KW)	1,659,144.00	2,440,738.00	2,345,199.00	(95,539.00)	(3.91)
2	Solar cell power consumption (production/KW)	815,462.00	1,039,723.00	1,069,792.00	30,069.00	2.89
3	Charged as PEA (Baht)	6,935,842.00	10,325,964.00	9,910,919.00	(415,045.00)	(4.02)
4	Charged as solar cell (Baht)	3,360,286.63	4,284,386.57	4,408,291.89	123,905.32	2.89
5	Total electricity consumption/month (KW)	2,474,606.00	3,480,461.00	3,414,991.00	(65,470.00)	(1.88)
6	Total amount/month (Baht)	10,197,108.94	14,341,935.64	14,072,153.41	(269,782.23)	(1.88)
Remark		Solar cell started in April				

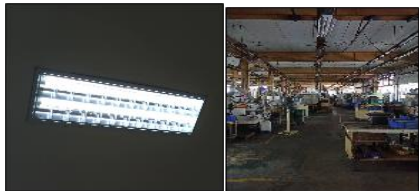

Campaign to save electricity and heat

The company has scheduled to turn off the lights during lunch breaks, turn off the air conditioner half an hour before the end of work, turn on the air conditioner at 25 degrees and unplug the electrical appliances when not in use. There is also the maintenance of electrical appliances to be in a ready-to-use condition and cleaning the air conditioner at least twice per year and improving the lighting system by replacing the light bulbs from fluorescent lamps to LED bulbs as well as the installation of a solar roof top circuit board system to save energy, thus reducing the use of electricity per unit every year.

No.	Details	Electricity consumption per product unit			Compare 2020/2021 increase (decrease)	Average (%)
		2019	2020	2021		
1	Production volume (units)	707,724	822,323	911,521	89,198	10.85
2	Electricity consumption / KWh	2,491,458	2,441,417	2,346,268	(95,149)	(3.90)
3	Unit/Product unit (KWh/EQ)	3.52	2.97	2.57	(0.39)	(13.30)



Measures to conserve energy for year 2021

	Measures to conserve energy	Baht saved
	1. Bulb replacement from Fluorescent 30W to 18 W LED, lam 90/100, lam 85, lam 75/76, lam 52/62, lam 74, lam 72 KYE, lam 60 KYE, total of 171 bulbs.	18,212 baht/year
	2. Turn off the lights during lunch break for 1 hour, total of 304 bulbs	1,708 baht/year



Reduction of paper use The company applies a cost-effective use of paper by using two-sided paper. The used paper is collected for the purchaser to be recycled in order to save the budget as well as instilling awareness among employees regarding the cost-effective use of material.

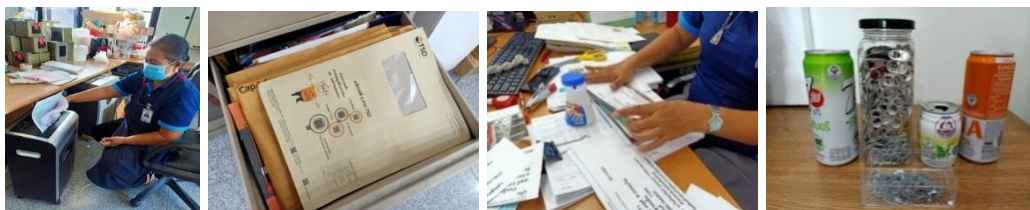
Use resource efficiently

company has encourages employees to reduce the amount of waste with the following details:

- Reducing the amount of waste that may occur, such as choosing strong, durable packaging for various parts while waiting for assembly, such as a hanging cart, plastic crates for inserting workpieces, etc.



- Reuse things such as reusing envelopes, use of 2 sided paper to wrap or support products to reduce bumps, sorting cans cap and stapler pins to donate for prosthetic limbs for handicapped people etc.



3.3 Sustainability management in social dimensions

The continuous change in the world includes technology and innovation which makes the market more uncertain resulting in changing customer needs. There is an expectation of social and environmental responsibility towards products as well as the safety of the consumer's health. The Company therefore has established a policy and developed the management process of the organization to have a competitive advantage by developing our employees to be able to apply knowledge at work leading to increased efficiency and continually creating new products.

The challenges in sustainability operations in the social dimension consist of human resource development, motivation and retention of talent workers, maintaining the safety working environment and involving community participation. The important issues of good corporate governance towards sustainability business consist of fair treatment of employees and respect for human rights. The Company has established guidelines for developing human resource management systems according to the framework 1) development of human capital potential (Workforce) 2) development of working environment (Workplace) and 3) Developing the future of the organization's work (Work) and developing indicators according to the social dimension of human capital potential to make a difference by being innovative with technology and management as well as being the low-cost leader that brings revenue to the stakeholders throughout the business value chain. In addition, the company has communicated, promoted, and created awareness among stakeholders in the practice of business ethics with social and environmental responsibility throughout the business value chain.

The development of good quality life for communities and society as expected by the stakeholders are as follows:

1. Determine policies and business goals
2. Manage communication and understanding
3. Create various engagements
4. Monitor and review operations
5. Analyze and improve the business value chain.

Measurement of safety, occupational health and working environment

The company has conducted a measurement of the working environment to be vigilant and in accordance with the requirements of the law as follows.

The results of the comparative chemical concentration measurement for the past 3 years

No.	Measured Department	Air quality index in the workplace	Unit	Standard	Measurement results			Compare 2019/2021 increase (decrease)
					2018	2019	2021	
1	Core Plating Department	Nitric Acid	ppm	2	0.32	<0.1	0.070	(0.03)
		Sodium Hydroxide	mg/m ³	2			0.333	0.33
2	Paint department	Xylene	ppm	100	1.96	0.024	13.693	13.67
3	Varnish Department	Styrene	ppm	100	0.82	0.03	<0.001	(0.03)
4	Sandblasting department	Respirable Dust	mg/m ³	5		0.7318	2.917	2.19

Note: Due to the severe COVID-19 situation in 2020, C.T. Environment & Chemical CO.,Ltd. was unable to come to measure many indicators in many departments at Pioneer Motors, so there is no such information on the year 2020.

Three years comparison of workplace environmental measurement

Measured Department		Heat value (°C) (WBGT)			Compare 2019/2021 increase (decrease)
		2018	2019	2021	
1. Injection department	Moderate	29	29	30.3	1.30
Standard		< 32.0			
Assessment results		Pass	Pass	Pass	Pass

Note: Due to the severe COVID-19 situation in 2020, C.T. Environment & Chemical CO.,Ltd. was unable to come to measure many indicators in many departments at Pioneer Motors, so there is no such information on the year 2020.

The results of the 8-hour average noise level measurements in the workplace were compared for the past 3 years.

Measured Department	Sound level measurement result (dB(A))			Compare 2019/2021 increase (decrease)
	2018	2019	2021	
	Leq 8 Hrs.	Leq 8 Hrs.	Leq 8 Hrs.	
1. BLDC Department	-	-	84	84
2. P-25 Pump Department	82.4	89.3	81.9	(7.40)
3. Pump P-01 Department	85.0	87.2	87.4	0.20
4. Injection Department	-	-	86.1	86.1
5. Axis Department	83.9	83.9	-	(83.9)

Measured Department	Sound level measurement result (dB(A))			Compare 2019/2021 increase (decrease)
	2018	2019	2021	
	Leq 8 Hrs.	Leq 8 Hrs.	Leq 8 Hrs.	
6. Tool Room	83.1	-	-	-
Standard	<85	<85	<85	
Assessment results	Pass	Pass	Pass	Pass

Note: Due to the severe COVID-19 situation in 2020, C.T. Environment & Chemical CO.,Ltd. was unable to come to measure many indicators in many departments at Pioneer Motors, so there is no such information on the year 2020.



The company has been honored to be a health promotion establishment at advanced level from the Thai Health Promotion Foundation (ThaiHealth) by Association for the Development of Environmental Quality (Thailand)

White Factory Project : Promote the prevention and suppression of drugs

The Company realizes that the threat of drug problems can affect employees, colleagues, families, communities and the Company. Therefore, random drug testing is conducted on a regular basis without prior notice in accordance with the Company's policy.

Treating workers with fairness and human rights

There are stakeholder expectations regarding supply chain management to be strong and cable of managing labor vulnerability risks in an increasingly complex which involves both the public sector and private sector. There are labor problems such as exploited labor, forced labor, harassment of rights defenders, discrimination, unfair child and female labor. In addition, there are limitations on transparency and accountability in relation to human rights violations, the adoption of the UN Guiding Principle on Business and Human Rights for the National Action Plan on Business and Human Rights (NAP), Phase 1 (2019-2022), both in terms of determining the duty of the state to protect the people (Protect) and set expectations for the business sector to conduct business with respect for human rights (Respect) as well as defining the duties of governments and businesses to provide remedies for those affected on human rights by business (Remedy), which are the three key principles in the UNGPs Principles Framework. The company has adopted the UN Universal Declaration of Human Rights (Universal Declaration of Human Rights), the UN Global Compact, the Thai Labor Protection Act 2017 and the International Labor Organization (ILO), including Good Labor Practices (GLP) as a framework to build confidence in doing business in accordance with guidelines for fair treatment of labor and respect for human rights.

Guidelines for treating workers with fairness and human rights

The Company operates its business with social responsibility in accordance with the UNGPs principles and the NAP plan, leading to the improvement of human rights policy through the human rights operation process

according to the international human rights framework. This is to foster best practices throughout the supply chain in business operations and link them to the global sustainable development goals SDG 1, SDG 3, SDG 4, SDG 5 and SDG8. The objectives of human rights operation include supporting gender equality, a safe working environment, employee training for all levels and creating a good quality of life for the community and society. Indicators have been developed to control the human rights process and its performance to be used as a guideline for developing measures to manage important human rights risks and impacts. This covers the promotion of employees, suppliers, subcontractors and suppliers to respect human rights according to laws and international standards. Furthermore, the company is supportive for receiving reports and complaints regarding human rights violations through the complaint system and maintain a comprehensive human rights audit system throughout the business value chain. The Company has human rights procedures as follows:

Human rights process

1. Determine the policy	Show commitment and instilling respect for human rights in the business chain
2. Assess the impact and set measures	Showing commitment and instilling respect for human rights in the business chain
3. Set indicators and goals	Controlling and reducing human rights impacts
4. Track Effectiveness	Creating an atmosphere of participation and follow up on the operating results
5. Receiving complaints and compensations	Set up a mechanism for receiving complaints and remedies for those affected by rights violations

The Company has determined the scope and impact of human rights from stakeholders who are likely to be affected by business operations. The issues of human rights risks related to business include labor rights, customer rights, community and environmental rights. This covers key stakeholders such as customers, employees, suppliers/subcontractors/suppliers and community and society. The determination of preventive and mitigation measures including effective remedies for those who may be affected by human rights risks arising from business activities by setting goals and performance indicators regarding human rights for relevant parties. The company also has a communication channel for opinions and suggestions from employees and outsiders in order to review and correct our actions to prevent and reduce risks that may lead to human rights violations according to the issues of human rights risks as follows:

	Risk Issues	Impact on stakeholders	Preventive and mitigation measures
Risk issues on Employee rights	1. The Safety of employees and partners/subcontractors/suppliers	- The resulting impact affects the health and safety of employees, business partner and	- Create safety working environment in accordance with regulations, requirements, and relevant laws

	Risk Issues	Impact on stakeholders	Preventive and mitigation measures
	2.Promotion of education and vocational training 3.Labor rights and discrimination 4.Forced/foreign labor employment and child labor	suppliers - Employees lack knowledge of career advancement - Violations of ethics and non-compliance with the law - Violations of ethics and non-compliance comply with the law	- Prepare safety standards to control operations to comply with the standard - Promote employees training at all levels - Support good corporate governance on participation with stakeholders in human rights - Support good corporate governance on participation with stakeholders in human rights
Risk issues on Social Rights	1. The safety of people in the community 2. Building a career and improving the quality of life in the community 3. Impacts from water, air, and land pollution 4. Access to natural resources	- The effects on the health and safety of people in the community - The quality of life of people in the community is low, causing starvation and lack educational opportunity. - Climate change and natural disasters problem - Water shortage problem and natural resources and ecological imbalance	- Reduce water pollution from the use of chemicals, hazardous waste and residual waste - Promote income generation for people in the community - Promote and support vulnerable groups in the community to have a career and income - Control emissions of polluted air from chimneys to meet the standards - Reduce greenhouse gas emissions according to scientific standards - Implement the 4 R strategy and apply the principles of ecology to reduce resources usage and to use resources efficiently
Risk issues on Customer rights	1. Customers' safety 2. Customers' confidentiality	- Impact on the health and safety of customers from using the product - Breach of customer confidentiality	- Produce products that are safe and free from harmful substances and environmentally friendly - Promote responsibility towards product

	Risk Issues	Impact on stakeholders	Preventive and mitigation measures
			- Promote good corporate governance and business ethics

The Company has conducted the human rights performance report to inform the executives regarding the situation and measures taken. As the human rights risks and impacts related to the Company's business operations can always change, the risk review is an ongoing assessment. Therefore, monitoring and evaluating the operational results in accordance with the risk measures are procedures that the Company emphasizes on a regular basis.



In 2021, the Company demonstrated its commitment to adopting Good Labor Practice (GLP) principles, which consisted of no child labor, no forced labor, no discrimination and no human trafficking. There is a labor management system, freedom of expression and opportunities for suggestions and exchanges of knowledges. The working environment is safe and hygienic with appropriate waste management. The employees' welfare and the labor management are proper, and the document is signed by the top executives of the company.



The company has partnered with the United Nations Women's Organization (UN Women) to engage in the WeEmpower Asia project which aims to promote the rights and economic opportunity of women in Asia to drive the global economy. The project takes part in promoting culture change and practices on gender-sensitive issues in corporate as well as developing business, finance and other technical skills to increase opportunities of leadership and entrepreneurship for Thai women according to the Women's Empowerment Principles (WEPs).

Fair treatment and human rights for workers

Proportion of female employees to total employees

Currently there are 237 female employees and 274 male employees; which consisted of 4 female executives and 3 male executives. The proportion of female employees is 46.38% of total employees and the proportion of female executives is 57.14% of all executives

Promoting religious freedom

The Company employs employees regardless of race and religion. Most of the employees are Buddhist and there are some Muslim and Christian as well. The Company treats all employees equally regardless of race, color, gender, age, language, and religion.

The ratio of standard employees to vulnerable employees

The Company promotes and supports the permanent employment of vulnerable and disabled people. Currently there are 13 people consisting of 4 retired elderly people, 3 people who had committed crimes (recovered drug addicted) as a way to give back to community. Lastly the company employs 6 people with disabilities. In total, the proportion of vulnerable employees to standard employees is 1: 4.

Employees potential development

For employee potential development, the company has organized training to provide knowledge to enhance employees' competences and the skills on using machines. The total training hours is 1,032 hours and all levels of employees have an average training session of 6 hours/person/year. However, due to the COVID-19 pandemic, the training in 2021 did not reach the specified criteria.

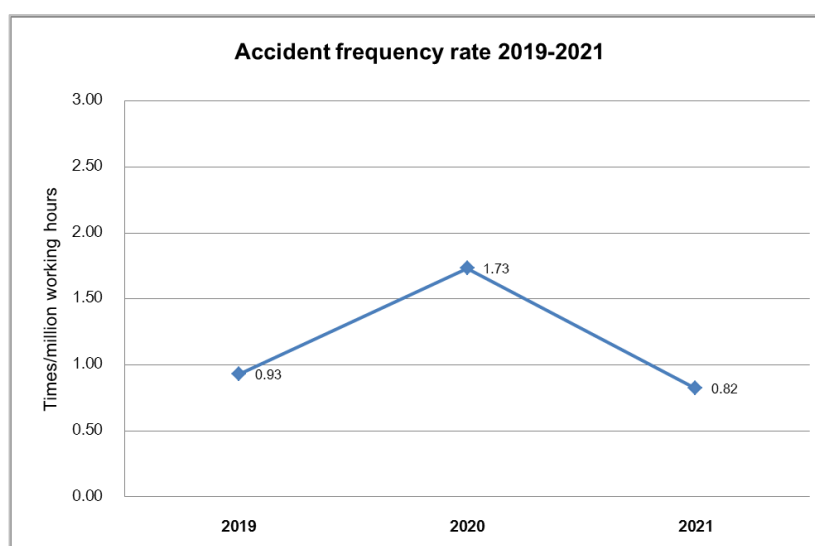
Proportion of employees in Nakhon Pathom area

The proportion of employees in Nakhon Pathom Province to total employees is 83.56%, and most of the employees are residing nearby the company.

Safety environment in the workplace

The results of monitoring air quality, heat, noise level and lighting in the workplace has passed the 2021 point-of-work standard. The company had 1,214,136 working hours, and the Lost Time Accident Frequency Rate (IFR) was 0.8 per 1 million working hours which was a decrease in the percentage of accidents compared to 2020. The injury rate was (IR) 4.10

Accident statistics



Developing and supporting communities and society

The Company supports and promotes the development of communities and society by encouraging employees to have a public mind and participation in helping and doing good deeds to communities and society. In 2021, the Company has participated in community and social development through various activities as follows:



The Company's management has donated to fund for medical equipment for Huayploo Hospital Nakhon Chai Si District, Nakhon Pathom Province



The management team delivered food and drinking water to medical staffs at the vaccination site of Bangkaewfa Industrial And Community Education College, Luangphorpern hospital and Huayploo Hospital at Nakhon Chaisri District, Nakhon Pathom Province.



The management team was the representative of the company to donate a water pump (Dyvo) to Huayploo Hospital, Nakhon Chai Si District Nakhon Pathom Province which was affected by flooding in the area.

Before

After



The company has a policy to enhance the community by having employees to help eliminating water hyacinths in the surrounding canals. The water hyacinths were collected to clean up the canals and are used to make bio-fertilizer for agricultural use.



The company has compiled old desk calendars and delivered to the Sampran Blind Women Training Center (Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen) in order to make a braille word card as a teaching material for the visually impaired people.

Occupational Health and Safety Management

The Company is committed to promoting safety environment and good quality of life for the employees. Our employees are highly cooperating in eliminating any hazards at work and reducing accidents to zero according to the plan by training to increase skills at work. Automated machines and robots (ROBOT) are used to replace the workers in some departments. Appropriate personal protective equipment is provided for employees such as safety shoes, heat resistant gloves, surgical mask, mechanic's suit for protection against sparks, etc.

Activities to promote safety campaign are as follows.



Annual training on using cranes for employees in the production department.

Annual fire fighting and fire evacuation training for all employees.

Annual inspection of the working environment on factors such as light, sound, heat, chemicals.



Health check and risk factors check are provided to all employees annually.



Inspection of various electrical systems in the workplace for the safety of the company's operations and safety of all employees.



4. Financial information

Opinion of the Auditor

The financial statements of Pioneer Motor Public Company Limited and its subsidiaries for the fiscal year 2019 - 2021 can be summarized as follows:

Financial statement accounting period	Auditor	Auditor's comments
12 months financial year ended 31 December 2019	1. Mr. Pradit Rodloithuk, Certified Public Accountant No.218 From AST Master Company Limited. (in the list of auditors who have been approved by the Securities and Exchange Commission)	The financial statements show financial position, operating results and cash flows of the Company and its subsidiaries both consolidated and individual for the year ended December 31, 2019. The report complies with the Thai Financial Reporting Standards.
12 months financial year ended 31 December 2020	2. Mr. Pradit Rodloithuk, Certified Public Accountant No.218 From AST Master Company Limited. (in the list of auditors who have been approved by the Securities and Exchange Commission)	The financial statements show financial position, operating results and cash flows of the Company and its subsidiaries both consolidated and individual for the year ended December 31, 2020. The report complies with the Thai Financial Reporting Standards.
12 months financial year ended 31 December 2021	1. Ms.Sunanta Khamsuk, Certified Public Accountant No.8207 From AST Master Company Limited. (in the list of auditors who have been approved by the Securities and Exchange Commission)	The financial statements show financial position, operating results and cash flows of the Company and its subsidiaries both consolidated and individual for the year ended December 31, 2021. The report complies with the Thai Financial Reporting Standards.

4.1. Financial summary table

Summary table of financial status and operating results

(1) Statement of financial position: Pioneer Motor Public Company Limited and its subsidiaries

Unit: Million baht

Statement of Financial Position	Separate financial statements (Audited)						Consolidated financial statements (Audited)			
	Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End	
	31 December 2019		31 December 2020		31 December 2021		31 December 2019		31 December 2020	
	million baht	%	million baht	%	million baht	%	million baht	%	million baht	%
Asset										
<u>Current assets</u>										
Cash or cash equivalents	9.66	1.50	47.03	6.21	25.05	2.46	9.68	1.50	47.04	6.21
Short term investment	128.98	19.99	0.00	0.00	0.00	0.00	128.98	20.00	0.00	0.00
Trade accounts receivable	116.73	18.09	143.17	18.90	187.78	18.45	116.73	18.10	143.17	18.91
Other receivables	25.64	3.97	19.89	2.62	30.45	2.99	25.64	3.98	19.89	2.63
Inventory	128.46	19.91	162.38	21.43	314.50	30.89	128.46	19.92	162.38	21.44
Other current financial assets	0.00	0.00	140.99	18.61	38.64	3.80	0.00	0.00	140.99	18.62
Total current assets	409.47	63.46	513.46	67.77	596.42	58.59	409.49	63.50	513.47	67.81
<u>Non- current assets</u>										
Fixed deposit with guarantee obligation	1.30	0.20	1.31	0.17	1.31	0.13	1.30	0.20	1.31	0.17
Investments in subsidiaries	0.0036	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Properties, plants and equipment	225.92	35.01	229.26	30.26	413.16	40.58	225.55	34.97	228.90	30.22
Computer software	1.51	0.23	3.32	0.44	4.64	0.46	1.51	0.23	3.32	0.44
Deferred tax assets	5.77	0.90	6.58	0.87	0.00	0.00	5.77	0.90	6.58	0.87
Advance payment for equipment purchase	1.28	0.20	3.74	0.49	2.43	0.24	1.28	0.20	3.74	0.49
Total non-current assets	235.78	36.54	244.21	32.23	421.54	41.41	235.41	36.50	243.85	32.19

Statement of Financial Position	Separate financial statements (Audited)						Consolidated financial statements (Audited)			
	Fiscal Year End 31 December 2019		Fiscal Year End 31 December 2020		Fiscal Year End 31 December 2021		Fiscal Year End 31 December 2019		Fiscal Year End 31 December 2020	
	million baht	%	million baht	%	million baht	%	million baht	%	million baht	%
Total assets	645.25	100.00	757.67	100.00	1,017.96	100.00	644.90	100.00	757.32	100.00
Liabilities and equity										
<u>Current liabilities</u>										
Trade payables	120.27	18.64	195.37	25.78	252.40	24.80	120.35	18.66	195.45	25.81
Other payables	12.61	1.95	16.14	2.13	27.55	2.71	12.62	1.96	16.15	2.13
Liabilities under finance lease agreements due 1 year	2.72	0.42	1.89	0.25	0.80	0.08	2.72	0.42	1.99	0.25
Long-term loan due within one year	6.00	0.93	0.00	0.00	0.00	0.00	6.00	0.93	0.00	0.00
Income tax payable	1.62	0.25	1.51	0.20	12.29	1.21	1.62	0.25	1.51	0.20
Provisions	0.45	0.07	0.67	0.09	0.74	0.07	0.45	0.07	0.67	0.09
Other current liabilities	0.02	0.00	0.03	0.004	0.04	0.004	0.03	0.005	0.03	0.004
Total current liabilities	143.69	22.27	215.61	29.45	293.82	28.87	143.79	22.30	215.70	28.48
<u>Total current liabilities</u>										
Finance lease liabilities	1.75	0.27	1.12	0.15	0.71	0.07	1.75	0.27	1.12	0.15
Deferred tax liabilities	0.00	0.00	0.00	0.00	16.41	1.61	0.00	0.00	0.00	0.00
Long term loan	18.46	2.86	0.00	0.00	0.00	0.00	18.46	2.86	0.00	0.00
Employee benefit obligations	26.05	4.04	28.96	3.82	30.52	3.00	26.05	4.04	28.96	3.82
Total non-current liabilities	46.26	7.17	30.08	3.97	47.64	4.68	46.26	7.17	30.08	3.97
Total liabilities	189.95	29.44	245.69	32.42	341.46	33.55	190.05	29.47	245.78	32.45
<u>Shareholders' Equity</u>										
Share capital										
Registered capital										
852,598,707 ordinary shares	156.00	24.18	156.00	20.59	213.15	20.94	156.00	24.19	156.00	20.60

Statement of Financial Position	Separate financial statements (Audited)						Consolidated financial statements (Audited)			
	Fiscal Year End 31 December 2019		Fiscal Year End 31 December 2020		Fiscal Year End 31 December 2021		Fiscal Year End 31 December 2019		Fiscal Year End 31 December 2020	
	million baht	%	million baht	%	million baht	%	million baht	%	million baht	%
Of Baht 0.25 each (2020 : 624,000,000 ordinary shares of Baht 0.25 each)										
Issued and paid capital										
616,465,661 ordinary shares of Baht 0.25 each	154.12	23.88	154.11	20.34	154.11	15.14	154.12	23.90	154.11	20.35
Premium on share capital	207.58	32.17	207.58	27.40	207.58	20.39	207.58	32.18	207.58	27.41
Retained earnings										
Appropriated for legal reserve	15.60	2.42	15.60	2.06	21.31	2.09	15.60	2.42	15.60	2.06
Unappropriated	78.00	12.09	134.69	17.78	199.25	19.57	77.55	12.03	134.25	17.73
Revaluation surplus on assets	0.00	0.00	0.00	0.00	94.23	9.26	0.00	0.00	0.00	94.24
Total shareholders' equity	455.30	70.56	511.98	67.58	676.50	66.45	454.85	70.53	511.54	67.55
Total liabilities and shareholders's equity	645.25	100.00	757.67	100.00	1,017.96	100.00	644.90	100.00	757.32	100.00

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

1) List of provident funds

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act BE 2530. The Company and its employees contribute monthly the amounts equivalent 2% of their basic salaries. The provident fund has been managed by Kasikorn Asset Management Company Limited. The fund contributed to employee in accordance with the terms and conditions prescribed following the provident fund. During 2019 - 2021, the company paid contributions to the fund for 1.2 million baht, 1.3 million baht and 1.4 million baht respectively.

2) Employee benefit obligations As of December 31, 2021 are as follows

On April 5, 2019, the Labor Protection Act (No. 7) B.E. 2562 was published in the Government Gazette which has set additional compensation rates in case the employer terminates employment contract with employees who have worked for 20 consecutive years or more. The company is entitled to compensate no less than 400 days of the final wage rate. The law came into effect from May 5, 2019 onwards. This post-employment benefit plan has an impact as the company has an additional liability for long-term employee benefits of 3.9 million baht. The Company recognized the effect of the change by recognizing past service costs as an immediate expense in profit or loss for the period in which the rules effective.

The company expects to pay employee benefits within the next 1 year amounting to 0.4 million baht (Year 2020: Amount of 2.9 million baht).

As of December 31, 2021, the weighted average period for payment of long-term employee benefits is approximately 8 years (Year 2020: Approximately 9 years).

3) Commitments and contingent liabilities as of December 31, 2021 are as follows:

- The Company has commitments in capital expenditures amounting to 5.7 million baht (Year 2020: 12.3 million baht) in relation to the building, computer equipment and programs.

- The Company has contingent liabilities as a result of bank guarantees for electricity usage amounting to 1.3 million baht (Year 2020: 2.2 million baht).

4) The shareholders' meeting for the year 2021 on April 27, 2021 resolved as follows.

- Approved the decrease of the Company's registered capital of 7,534,339 units by eliminating the unissued ordinary shares, which are the remaining shares from the allocation to support the exercise of the Warrants to purchase ordinary shares of the Company (PIMO-W1) from the existing registered capital of Baht 156,000,000.00 to Baht 154,116,415.25 divided into 616,465,661 ordinary shares with a par value of Baht 0.25 per share. The Company registered the decrease of its capital with the Ministry of Commerce on 5 August 2021.

- Approved the issuance and offering of warrants to purchase ordinary shares of the Company (PIMO-W2) in the amount of not more than 176,133,046 units to be offered to the existing shareholders in proportion to their shareholding without charge in the ratio of 7 existing ordinary shares per 2 units of warrant. In the event that there are fractions that arise from the calculation, they shall be ignored. The exercise price is 1 unit of warrant per 1 ordinary share and the exercise price of the warrant is Baht 1.75. The warrants will be valid for 2 years from the date of issue.

- Approve the increase of the Company's registered capital in the amount of Baht 59,033,261.50 by issuing ordinary shares to accommodate the exercise of the warrants to purchase ordinary shares of the Company No. 2 (PIMO-W2) in the amount not more than 176,133,046 shares and to support the increase of capital under General

Mandate to specific investors (Private Placement) of not more than 60,000,000 shares with a par value of Baht 0.25 per share from the existing registered capital of Baht 154,116,415.25 to Baht 213,149,676.75 divided into 852,598,707 ordinary shares with a par value of Baht 0.25 per share. The Company registered the increase of its capital with the Ministry of Commerce on 6 August 2021.

-Approved the payment of dividends at Baht 0.034 per share for 616 million shares totaling Baht 21.0 million, from the operating results for the period from 1 July 2020 to 31 December 2020. The Company pays such dividends on 25 May 2021.

Board of Directors' Meeting dated 10 August 2021, the Board of Directors approved the payment of interim dividends at Baht 0.018 per share for 616 million shares totaling Baht 11.1 million, from the operating results for the period from 1 January 2021 to 30 June 2021. The Company pays such dividends on 8 September 2021.

5) Investments in subsidiaries

On February 2, 2017, the Company invested in ordinary shares of VSM (Thailand) Company Limited by acquiring 1,000 ordinary shares of VSM (Thailand) Company Limited at par value of 100 baht or 100 percent of the total shares. The purchased price was USD 0.01 per share. The total price is 100 US dollars (Equivalent to 3,600 baht). Subsequently, in June 2021, the company invested in capital increase shares of VSM (Thailand) Co., Ltd. by paying the amount of 1.10 million baht to repay the loan debt. Subsequently, on July 2, 2021, the subsidiary company registered the dissolution of the company with the Ministry of Commerce. And on August 28, 2021, the subsidiary has completed liquidation. The company received a refund of capital from liquidation of 0.02 million baht and the company recorded loss from dissolution of subsidiaries in the statement of comprehensive income for the year ended December 31, 2021 amounting to 1.08 million baht.

6) Legal reserve

Under the provisions of Section 116 of the Public Limited Companies Act 1992, the company must allocate part of the annual net profit as a reserve of no less than 5% of the annual net profit deduct by the accumulated loss at the beginning of the year (if any) until the reserve is not less than 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the Company has allocated a legal reserve amounting to 5.7 million baht. The company has already allocated the legal reserve.

7) Privilege granted from investment promotion

The Company was granted certain privileges on its manufactures and distributing electric motors pursuant to the Investment Promotion Act B.E. 2520, for the period during 2019-2024 totaling 3 certificates, subjected to certain imposed conditions, the privileges included among the others as follows:

(a) An exemption from payment of import duty on machinery approved by the Board of Investment.

(b) According to the promotion certificate No. 62-0961-1-07-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 100% of the investment in automation or robot systems for improving production efficiency, excluding land and working capital and 50% of the investment value in renewable energy systems, excluding the cost of land and working capital is for 3 years, with the exempted corporate income tax not exceeding Baht 22.6 million from the date of income after receiving the promotional certificate (4 September 2019).

In 2020, the company has already used tax privilege in the amount of Baht 16.1 million, which is up to the amount of tax according to the right that the Company has invested.

(c) According to the promotion certificate No. 64-0861-1-04-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 50% of the investment in production efficiency improvement for renewable energy use, excluding the cost of land and working capital is for 3 years, with the exempted corporate income tax not exceeding Baht 3.9 million from the date of income after receiving the promotional certificate (2 September 2021). In 2021, the Company has already used tax privilege in the amount of Baht 1.4 million.

(d) According to the promotion certificate No. 64-0862-1-00-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 100% of the investment in manufacturing motors for electrical appliances category 5.2.3 Compressor and/or Motor manufacturing business for electrical appliances, excluding the cost of land and working capital is for 3 years, with the exempted corporate income tax not exceeding Baht 15.8 million from the date of income after receiving the promotional certificate (2 September 2021). In 2021, the Company has not exercised such tax privileges.

As a promoted industry, the Company must comply with certain conditions and restrictions provided for the promotional certificate.

(2) Statement of comprehensive income: Pioneer Motor Public Company Limited and its subsidiaries

Statement of comprehensive income	Separate financial statements (Audited)						Consolidated financial statements (Audited)					
	Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End	
	31 December 2019		31 December 2020		31 December 2021		31 December 2019		31 December 2020		31 December 2021	
	million baht	%	million baht	%	million baht	%	million baht	%	million baht	%	million baht	%
Sales revenue	645.78	97.30	795.76	97.91	990.91	96.16	645.78	97.29	795.76	97.91	990.91	96.15
Cost of sales	539.29	81.26	637.25	78.41	803.96	78.02	539.29	81.24	637.25	78.41	803.96	78.01
Gross profit	106.49	16.05	158.51	19.50	186.95	18.14	106.49	16.04	158.51	19.50	186.95	18.14
Other income	17.89	2.70	16.99	2.09	39.59	3.84	18.00	2.71	16.99	2.09	39.67	3.85
Total income	663.67	100.00	812.75	100.00	1,030.50	100.00	663.78	100.00	812.75	100.00	1,030.58	100.00
Profit before expenses	124.39	18.74	175.50	21.59	226.54	21.98	124.49	18.76	175.50	21.59	226.62	21.99
Selling expenses	35.27	5.32	38.60	4.75	45.97	4.46	35.27	5.31	38.60	4.75	45.97	4.46
Administrative expenses	57.28	8.63	56.09	6.90	56.13	5.45	56.23	8.47	56.08	6.90	55.79	5.41
Total expenses	92.55	13.95	94.69	11.65	102.10	9.91	91.50	13.78	94.68	11.65	101.77	9.87
Profit from operating activities	31.83	4.80	80.81	9.94	124.44	12.07	32.99	4.97	80.82	9.94	124.86	12.12
Financial cost	1.08	0.16	0.36	0.04	0.14	0.01	1.08	0.16	0.36	0.04	0.14	0.01
Net loss from dissolution of subsidiary	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit before income tax	30.75	4.63	80.45	9.90	124.28	12.06	31.91	4.81	80.45	9.90	124.72	12.11
Income tax expenses	3.44	0.52	1.02	0.13	22.63	2.20	3.44	0.52	1.02	0.13	22.63	2.20
Profit for the year	27.31	4.11	79.43	9.77	101.65	9.86	28.47	4.29	79.44	9.77	102.09	9.91
Other comprehensive income												
Other comprehensive income not to be reclassified to profit or loss in subsequent year Revaluation surplus on assets	0.00	0.00	0.00	0.00	117.80	11.43	0.00	0.00	0.00	0.00	117.80	11.43
<u>Less</u> : Income tax effect	0.00	0.00	0.00	0.00	(23.56)	(2.29)	0.00	0.00	0.00	0.00	(23.56)	(2.29)
Net	0.00	0.00	0.00	0.00	94.24	9.14	0.00	0.00	0.00	0.00	94.24	9.14
Actuarial gain (loss)	(2.57)	(0.39)	(0.69)	(0.08)	0.85	0.08	(2.57)	(0.39)	(0.69)	(0.08)	0.85	0.08

Statement of comprehensive income	Separate financial statements (Audited)						Consolidated financial statements (Audited)					
	Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End	
	31 December 2019		31 December 2020		31 December 2021		31 December 2019		31 December 2020		31 December 2021	
	million baht	%	million baht	%	million baht	%	million baht	%	million baht	%	million baht	%
Less : Income tax effect	0.51	0.08	0.14	0.02	(0.17)	(0.02)	0.51	0.08	0.14	0.02	(0.17)	(0.02)
Net	(2.06)	(0.31)	(0.55)	(0.06)	0.68	0.06	(2.06)	(0.31)	(0.55)	(0.06)	0.68	0.06
Other comprehensive income for the year	(2.06)	(0.31)	(0.55)	(0.06)	94.92	9.20	(2.06)	(0.31)	(0.55)	(0.06)	94.92	9.20
Total comprehensive income for the year	25.25	3.80	78.88	9.71	196.57	19.06	26.41	3.98	78.89	9.71	197.01	19.11

Remark: The Company's income is from both domestic and international sales of products for year 2019, 2020 and 2021; the company has foreign sales revenue of approximately 36%, 48% and 53% of net sales revenue respectively.

(3) Statement of cash flows: Pioneer Motor Public Company Limited and its subsidiaries

Cash flow statement	Separate financial statements (Audited)			Consolidated financial statements (Audited)		
	2019	2020	2021	2019	2020	2021
	million baht	million baht	million baht	million baht	million baht	million baht
Cash flows from operating activities						
Profit before corporate income tax	30.75	80.46	124.28	31.91	80.46	124.72
Adjustments to reconcile profit to net cash provided by operating activities						
Reversal of allowance for expected credit loss for trade accounts receivable	0.47	(0.47)	(0.47)	0.47	(0.47)	(0.47)
Reversal of allowance for expected credit loss for Open-end Mutual Fund receivable	(0.18)	(0.17)	(0.17)	(0.18)	(0.17)	(0.17)
Reversal of allowance for expected credit loss for loan to subsidiary	1.06	0.00	(1.06)	0.00	0.00	0.00
Loss from dissolution of subsidiary	0.00	0.00	1.08	0.00	0.00	0.00
Unrealized loss (gain) on exchange rate	0.24	0.19	(0.31)	0.12	0.19	(0.31)
Gain on sale of other current financial assets	(0.70)	(0.37)	(0.47)	(0.70)	(0.37)	(0.47)
Unrealized gains from changes in fair value of other current financial assets	(0.60)	(0.69)	(0.01)	(0.60)	(0.69)	(0.01)

Cash flow statement	Separate financial statements (Audited)			Consolidated financial statements (Audited)		
	2019	2020	2021	2019	2020	2021
	million baht	million baht	million baht	million baht	million baht	million baht
Allowance for obsolescence of inventories	1.45	1.36	0.74	1.45	1.36	0.74
Reversal of accrued Corporate income tax	0.00	(0.09)	0.00	0.00	(0.09)	0.00
Depreciation	23.45	25.84	28.61	23.43	25.83	28.25
Amortization of computer software	0.60	0.69	0.93	0.60	0.69	0.93
Gain on disposal of equipment	(1.37)	(0.04)	(0.16)	(1.37)	(0.04)	(0.16)
Employee benefit obligations	6.78	3.27	3.19	6.78	3.27	3.19
Recording of the increase in provision	0.29	0.62	0.67	0.29	0.62	0.67
Financial cost	1.08	0.35	0.14	1.08	0.35	0.14
Profit from operating activities before changes in operational assets and liabilities	63.32	110.95	157.53	63.28	110.94	157.59
Decrease (increase) in operating assets						
Trade accounts receivable	(19.03)	(26.28)	(44.33)	(19.03)	(26.28)	(44.33)
Other receivables	(7.73)	5.92	10.46	(7.72)	5.92	10.46
Inventories	(16.48)	(35.28)	(152.86)	(16.48)	(35.28)	(152.86)
Increase (decrease) in operating liabilities						
Trade accounts payable	19.96	75.21	57.06	19.96	75.21	56.98
Other payables	3.76	(1.00)	15.52	3.76	(1.00)	15.51
Provision	(0.31)	(0.41)	(0.60)	(0.31)	(0.41)	(0.60)
Employee benefit obligations	(0.15)	(1.06)	(0.78)	(0.15)	(1.06)	(0.78)
Cash received from operations	43.34	128.05	21.08	43.31	128.04	21.05
Tax paid	(4.66)	(1.71)	(12.58)	(4.66)	(1.71)	(12.58)
Net cash provided by operating activities	38.68	126.34	8.50	38.65	126.33	8.47
<u>Cash flows from investing activities</u>						

Cash flow statement	Separate financial statements (Audited)			Consolidated financial statements (Audited)		
	2019	2020	2021	2019	2020	2021
	million baht	million baht	million baht	million baht	million baht	million baht
Proceeds from loan to subsidiary	(1.06)	0.00	1.06	0.00	0.00	0.00
Proceeds from disposal of other current financial assets	381.91	418.72	517.98	381.91	418.72	517.98
Cash paid for acquisition of other current financial assets	(265.57)	(429.67)	(415.14)	(265.57)	(429.67)	(415.14)
Cash paid for investment in subsidiary	0.00	0.00	(1.10)	0.00	0.00	0.00
Proceeds from dissolution of subsidiary	0.00	0.00	0.02	0.00	0.00	0.00
Increased in fixed deposits pledged as collateral	(0.01)	(0.01)	(0.00)	(0.01)	(0.01)	(0.003)
Proceeds from disposal of equipment	1.42	0.07	0.16	1.42	0.07	0.16
Cash paid for acquisition of property, plant and equipment	(52.41)	(24.24)	(98.39)	(50.34)	(24.23)	(98.38)
Cash paid for acquisition of computer software	(0.41)	(2.50)	(2.25)	(0.41)	(2.50)	(2.25)
Decrease (Increase) in advance for purchase of equipment	4.72	(2.46)	1.31	4.73	(2.46)	1.31
Net Cash Provided By (Used In) investing activities	(164.09)	(40.09)	3.65	(160.95)	(40.09)	3.67
<u>Cash flows from financing activities</u>						
Interest paid	(0.93)	(0.35)	(0.14)	(0.93)	(0.35)	(0.14)
Cash received from long-term loans	29.81	0.00	0.00	29.81	0.00	0.00
Cash paid for long-term loans from other companies	0.00	0.00	0.00	(3.15)	0.00	0.00
Cash paid for long-term loans	(5.50)	(24.46)	0.00	(5.50)	(24.46)	0.00
Repayment of liabilities under lease agreements	(1.82)	(1.87)	(1.95)	(1.82)	(1.87)	(1.95)
Cash paid for dividends	(6.76)	(22.20)	(32.04)	(6.76)	(22.20)	(32.04)
Cash received from the exercise of rights to purchase ordinary shares under the warrants	114.34	0.00	0.00	114.34	0.00	0.00
Net Cash Used in Financing Activities	129.14	(48.88)	(34.13)	126.00	(48.88)	(34.13)
Net increase (decrease) in cash and cash equivalents	3.73	37.37	(21.98)	3.70	37.36	(21.99)

Cash flow statement	Separate financial statements (Audited)			Consolidated financial statements (Audited)		
	2019	2020	2021	2019	2020	2021
	million baht	million baht	million baht	million baht	million baht	million baht
Cash and cash equivalents, beginning of year	5.93	9.66	47.03	5.98	9.68	47.04
Cash and cash equivalents at the end of year	9.66	47.03	25.05	9.68	47.04	25.05
<u>Supplement Disclosures of Cash Flows information</u>						
Non – cash transactions						
Increase (decrease) in payable from acquisition of plant and equipment	(0.87)	4.54	(4.11)	1.20	4.54	(4.11)
Increase in liabilities under lease agreements	3.16	0.43	0.44	3.16	0.43	0.44
Increase (decrease) in accrued dividends	0.01	(0.00)	(0.00)	0.01	(0.00)	(0.00)

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

(4) Financial Ratios: Pioneer Motor Public Company Limited and Subsidiaries

Financial ratios	Unit	Separated Financial reports			Consolidated financial reports		
		(audited)			(audited)		
		2019	2020	2021	2019	2020	2021
<u>Liquidity ratio</u>							
Liquidity ratio	times	2.85	2.38	2.03	2.85	2.38	2.03
Current ratio	times	1.78	1.63	0.96	1.78	1.63	0.96
Cash flow liquidity ratio	times	0.30	0.70	0.03	0.30	0.70	0.03
Accounts receivable turnover ratio	times	6.00	6.12	5.99	6.00	6.12	5.99
Average collection period	days	60	60	61	60	60	61
Inventory turnover ratio	times	4.46	4.38	3.28	4.46	4.21	3.28
Average product sales period	days	82	83	111	81	87	111
Payable turnover ratio	times	4.89	4.04	3.59	4.89	4.04	3.59
Repayment period	days	75	91	102	74	91	102
Cash Cycle	days	68	53	71	67	52	71
<u>Profitability Ratio</u>							
Gross profit margin	%	16.49	19.92	18.87	16.49	19.92	18.87
Operating profit margin	%	2.16	8.02	8.56	2.32	8.02	8.60
Other margin	%	2.70	2.09	3.84	2.71	2.09	3.85
Cash-to-profit ratio	%	277.50	197.96	10.02	257.92	197.93	9.95
Net profit margin	%	4.11	9.77	9.86	4.29	9.77	9.91
Return on Equity	%	7.02	16.42	17.11	7.34	16.44	17.18
<u>Efficiency Ratio</u>							
Return on assets	%	4.97	11.32	11.45	5.18	11.33	11.45
Return on fixed assets	%	24.13	46.26	40.55	24.73	46.33	40.55
Asset turnover	times	1.21	1.16	1.16	1.21	1.16	1.16
<u>Financial Policy Ratio</u>							
Debt to equity ratio	times	0.42	0.48	0.50	0.42	0.48	0.50
Interest coverage ratio (EBITDA / Interest paid)	times	60.12	302.85	1,102.63	61.36	302.82	1,102.57
Obligatory coverage ratio (cash basis)	times	0.62	1.63	0.06	0.61	1.63	0.06
Dividend payout rate	%	40.63	40.36	40.48	38.97	40.35	40.30

Remark: At the Board of Directors Meeting No. 1/2022, as of February 24, 2021, it was resolved to propose to the Annual General Meeting of Shareholders for year 2021 on April 26, 2022 to approve the allocation of net profits as dividends to 616 million shares at the rate of 0.063 baht per share, totaling 38.8 million baht. The company has paid an interim dividend at the rate of 0.018 baht per share, totaling 11.1 million baht. The remaining dividend is paid at 0.045 baht per share, totaling 27.7 million baht.

4.1 Management discussion and analysis

The Company's Performance

Performance overview

The company manufactures general purpose industrial motors used for air conditioner, agricultural machinery and general equipment as well as manufactures pumps, centrifugal pumps and motors for pools and spas. The products are distributed to both domestic and international customers and in 2019 – 2021 the Company distributed to domestic market at the proportion of 64.29%, 51.80% and 47.44% respectively. The Company exported to overseas customers such as Australia, Dubai, Hong Kong, Philippines, United States, Czech Republic, Bangladesh, Sri Lanka, Iran, Pakistan, Japan, Singapore, New Zealand, Netherlands, etc. and in 2019 – 2021 the Company distributed to international market at the proportion of 35.71%, 48.20% and 52.56% respectively.

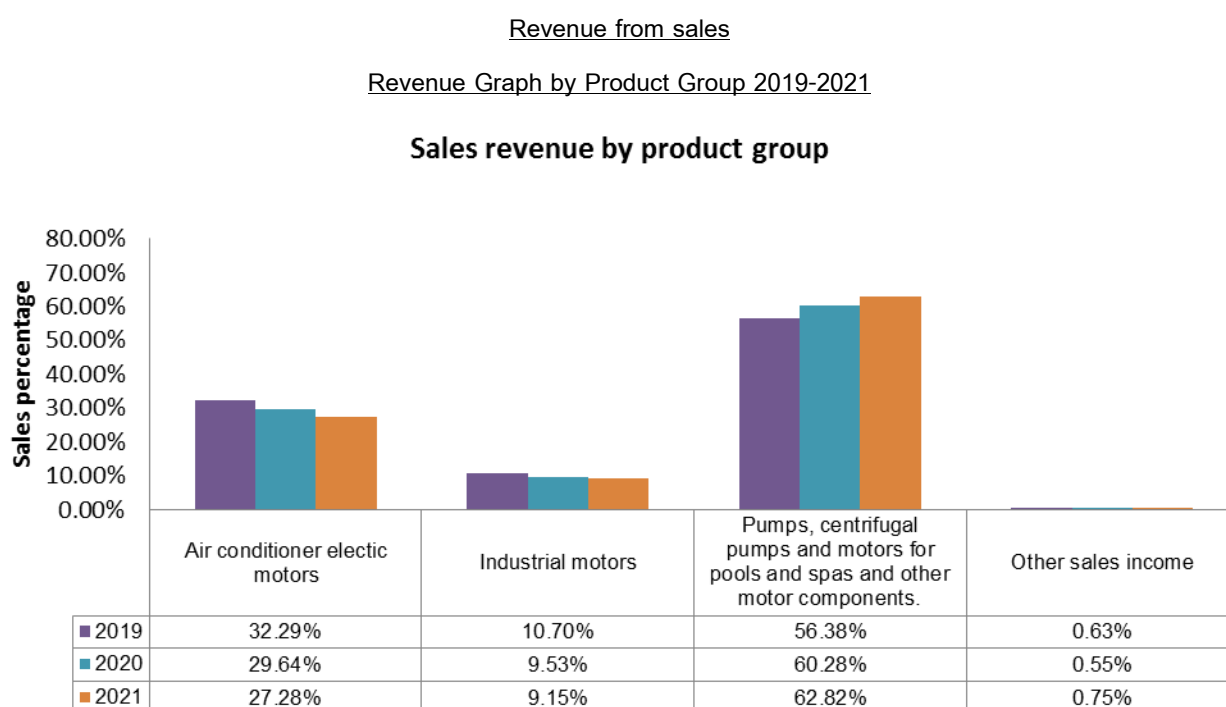
When considering the overall performance of the company from 2019 - 2021, the company has continuously increased sales revenue. The average annual growth rate (CAGR) for the aforementioned three years was 23.87 percent, with the revenue from sales from 2020 to 2021 increasing by 24.52%. This was caused by the customer's trust in the quality of the products delivered and creating service satisfaction making it possible to meet the needs of customers effectively. During the 3 years, in 2019 - 2021, the company has revenues from the water pump product line, Centrifugal pumps and motors for pools and spas and other motor components are the top products, accounting for approximately 56 percent, 60 percent and 63 percent, of net sales revenue respectively. The main customers of this product group are large OEM operators (products under customer's brand), both in the country and abroad. Therefore, the quality of the delivered products is the main factor that this group of customers is concerned about as it can affect the reputation of the brand. In addition, the company also plans marketing policies both in the country and abroad. This makes it possible to expand the customer base even more. This generates revenue from sales to grow continuously. The company has continued to gain net profit every year. Considering the financial statements for the 2020 - 2021 accounting period, the Company had net profit for the separate financial statements equal to 27.31 million baht, 79.43 million baht and 101.65 million baht, respectively, or equivalent to 4.11%, 9.77% and 9.86% of total income. And when considering the financial statements for the fiscal year 2019 - 2021, the company has a net profit from the consolidated financial statements of 28.48 million baht, 79.44 million baht and 102.09 million baht, or a net profit margin of 4.29%, 9.77% and 9.91%. In 2021, there are items that will not be recorded in profit or loss later, which are actuarial gain of 0.85 million baht and deducting the impact of income tax of 0.17 million baht and during the current year. The Company has provided an appraisal of land by an independent appraiser, which has already been appraised on September 27, 2021 using the Sales Comparison Approach. The increase in revaluation is recorded in other comprehensive income and recognized in the account cumulative amount. "Revaluation surplus on assets" in the shareholders' equity amounting to 117.80 million baht and deducting the impact of income tax of 23.56 million baht, resulting in a total comprehensive income from the separate financial statements for the year equal to 196.57 million baht or accounted for It is the total comprehensive income margin for the year equal to 19.08 percent of total revenue and the total comprehensive income from the consolidated financial statements for the year equal to 197.01 million baht or equivalent to the total comprehensive income margin for the year equal to 19.12 percent of total revenue. The reason for the increase in profits is due to Increased sales both at home and abroad In addition, the company continues to

profit from foreign exchange as the US dollar and AUD have improved. Improving production efficiency by using automation or robots as part of production. Investing in solar cell roof to generate electricity for own use makes the company can save up to 40% of the electricity bill.

For the overall performance of the Company during 2021 compared to 2020, the Company's sales revenue increased by 195.15 million baht, or an increase of 24.52%, with cost of sales in 2021 equal to 803.96 million baht. This was an increase from the same period of the previous year in the amount of 166.71 million baht or an increase of 26.16%, in line with the increasing sales. When analyzed cost of sales to revenue from sales, this accounted for 81.13% which increased from cost of sales to revenue from sales of the same period of last year was 80.08%. The net profit for the separate financial statements in 2021 was 101.65 million baht, an increase compared to 2020 by 22.22 million baht or an increase of 27.97%, and net profit for the consolidated financial statements in 2021 was 102.09 million baht, an increase compared to the year 2020 of 22.65 million baht or an increase of 28.52%.

4.2 Operations and Financial Position

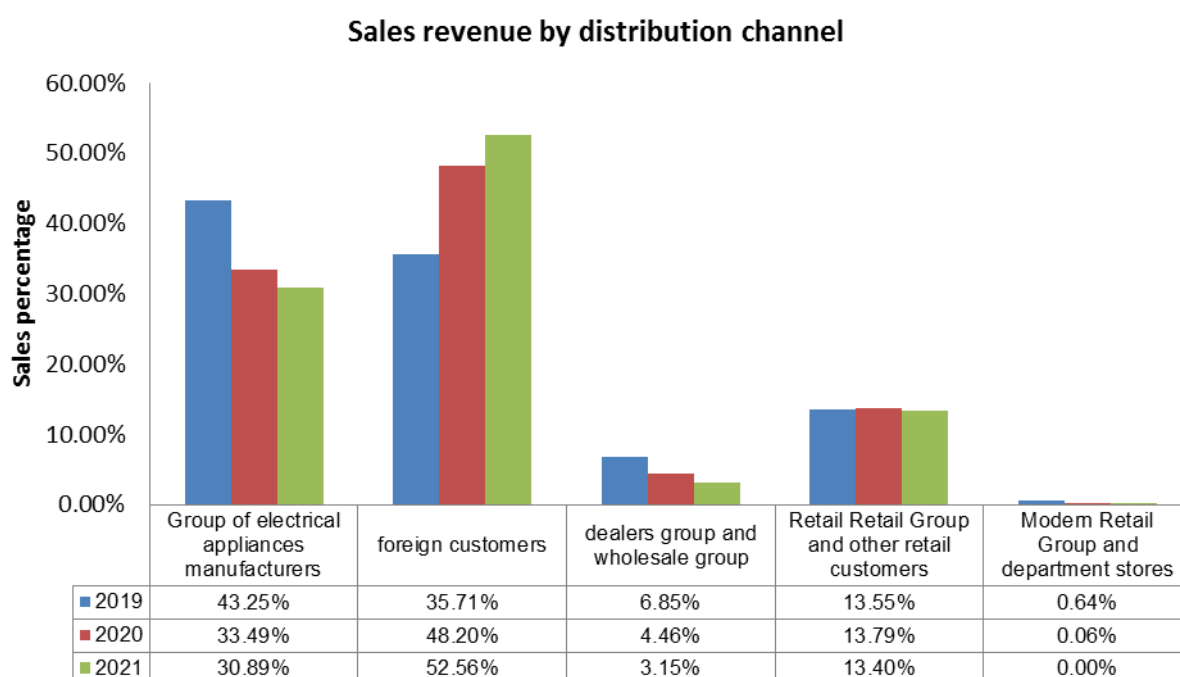
The company can summarize the analysis of financial result for the fiscal year 2019 - 2021 as follows:



Revenue from sales of the company can be divided into 3 main product groups: motor products for air conditioners, industrial motor and submersible pumps, centrifugal pumps and motors for pools and spas and other motor parts. In addition, the company also has other sales income such as miscellaneous raw materials, etc. In 2019 - 2021, the company had net sales of 645.78 million baht, 795.76 million baht and 990.91 million baht respectively. The growth rate when compared between 2019 and 2020 was 23.22% and representing the growth rate when compared between 2020 and 2021 increased by 24.52%. The average compound annual growth rate (CAGR) for the aforementioned 3 years is 23.87% in 2021, the # 1 product line to generate sales is the range of pumps, centrifugal pumps, motors for pools and spas and other motor components accounted for an average of 62.82%, followed by the second place is the motor for air conditioners which accounted for an average of 27.28% and the 3rd place is the

product range of industrial power motors which accounted for an average of 9.15 percent. The Company has always maintained good quality and good after-sales service. As a result, the sales of new domestic and foreign customers have continued to order and the existing customers have increased the order as well. In addition, in 2020 and 2021, the company has revised its marketing plan by restructuring the sales structure of the industrial motor portfolio from relying on only one large distributor which is risky to the Company, the company has changed a new sales strategy by adding sales people to penetrate the retail store market and general retail customers nationwide as well as increasing sales promotion to create more purchasing incentives. This can be seen from the rapid growth of sales of these products over the past 1-3 years.

Revenue graph by distribution channel 2019 - 2021



In 2019 - 2021, the company has revenues from the distribution of most of its products in the country. The value is 415.16 million baht, 412.17 million baht and 470.13 million baht respectively or accounting for 64.29%, 51.80% and 47.44% of net sales revenue in 2019-2021 respectively. This is from distribution through different customer groups. The international sales accounted for 35.71%, 48.20% and 52.56% respectively. The electronic manufacturers group was 43.25%, 33.49% and 30.89%, respectively and the retailer group accounted for 13.55%, 13.79% and 13.41% respectively. The sales through Agents and Dealers, accounted for an average of 6.85%, 4.46% and 3.15%, accordingly. The last channel is the modern retailers and department stores which accounted for an average of 0.64%, 0.06% and 0.0017% respectively. The reason that the foreign customers are the highest sales because the Company's main product is motor, which is an important component of electrical appliances, these customer groups order to assemble ready-made products for distribution under each customer's brand. The company has penetrated the market for these groups of stores more to replace the current group of dealers and wholesalers who are currently highly competitive. The Company has set a competitive approach by increasing sales staff to reach more retail and other retail customers nationwide and increase the promotion that will be able to achieve sales and profit to the target.

For 2021, the company had domestic sales of 470.13 million baht, accounting for 47.44% of the net sales revenue. The top group was selling through the group of foreign customers (International Customers) in the amount of 520.78 million baht, or 52.56%, followed by the electronic manufacturers in the amount of 306.07 million baht or 30.89%, followed by sales through retail stores (Retailers) and other customers (Customers) of 132.86 million baht or 13.41%. Wholesale (Dealers) of 31.18 million baht, or 3.15%, and the modern trade and department stores of 0.017 million baht or 0.0017%.

When dividing each type of revenue in 2021 compared with the revenue from sales in 2020, the International Customer segment increased by 137.19 million baht, or 35.76% and other retail customers increased by 23.14 million baht or an increase of 21.09%. It can be seen that the adjustment of the wholesale strategy resulted in a rapid increase in sales. Even though the economic slowdown and there was more market competitors, the company was able to penetrate the retail store group and other small customers by conducting sales promotion programs to increase sales continuously. In addition, the company has jointly planned to study, research and develop new products to support the existing products that have slowed down in order to keep up with the competition in the current business world. In 2017, the Company made an investment in VSM (Thailand) Company Limited (a subsidiary) to jointly develop motor for swimming pool from AC motor to DC motor that can be adapted to use in small and large pools. In order to accommodate future changes and customer needs that focus on energy-saving applications, DC motors are the motors that can reduce electricity consumption by 20% - 40%. The Company plans to sell more new products to overseas markets. It can be seen that in 2021 sales proportion from International customers was 137.19 million baht or 35.76% mainly as motor and swimming pool pump products for large international customers who have continually ordered products. In addition to developing and improving products for existing customers abroad and the Company has marketing policy and public relations abroad. As a result, there is a continuous expansion of the overseas customer base. Next, is the modern retail and department store group of sales decreased by 0.45 million baht or 96.32% due to the outbreak of Coronavirus 2019 (COVID-19) in 2020 causing the modern retail chain to be temporarily closed. This has an impact on the business and operating results of the company the damage is not high as the motor for the home swimming pool (Private swimming pool) both inside and outside the country is also increasing in demand. Also, there is a technology for BLDC motor products that has started selling since the beginning of last year and sales order continue coming in. Therefore, next year's revenue is expected to increase by 20% compared to 2021.

For other income from the separate financial statements of the Company in 2019 - 2021, the value is 17.89 million baht, 16.99 million baht and 39.59 million respectively or equivalent to the other income to total income proportion of 2.70%, 2.09% and 3.84% respectively. Other income from the Company's consolidated financial statements in 2019-2021 was 18.00 million baht, 16.99 million baht and 39.67 million baht or equivalent to the other income to total income proportion of 2.71%, 2.09% and 3.84% respectively. This consists of revenue from sales of scrap materials, interest income, foreign exchange gain (loss), revenue from selling mold and income from refunds for tax cards (Blue Corner), etc.

For other income from separate and consolidated financial statements in 2021, the value is 39.59 million baht or equivalent to the proportion of other income to total income equal to 3.84%, a increase of 22.60 million baht from the same period of the previous year or 133.02%, mainly due to an increase in revenue from scrap sales, especially silicon

scrap that is in demand in the market during this period, causing the selling price per kilogram to increase by 26%. Gain on foreign exchange from an improvement over the previous year are US Dollar and Australian Dollar.

Cost of sales

In 2019-2021, the Company had cost of sales from separate financial statements and consolidated financial statements equal to 539.29 million baht, 637.25 million baht and 803.96 million baht, respectively, representing cost of sales to revenue from sales of 83.51%, 80.08% and 81.13%, respectively. The main cost of sales is from cost of raw materials, especially copper wire, iron, silicon and aluminum and direct labor expenses such as salary, bonus, overtime pay of the manufacturing department, machine depreciation and production costs, etc. Comparing 2020 and 2019, it was found that the company had cost of sales equal to 637.25 million baht, an increase from the same period of the previous year by 97.96 million baht or an increase of 18.16%, in line with the increased sales volume. In addition, the main raw material prices dropped, which was in line with the world market prices, such as iron, silicon and copper wire and the ratio of cost of sales to revenue from sales equal to 80.08%, decreased from the same period of 2019 which was 83.51 percent.

For the year 2021, the Company had cost of sales from the separate financial statements and the consolidated financial statements of 803.96 million baht, an increase of 166.71 million baht from the same period of the previous year or an increase of 26.16%, in line with the increase in sales. In addition, the price of the main raw material that increased, which was in line with the world market prices, such as iron, silicon and copper wire, and the ratio of cost of sales to revenue from sales equal to 81.13%, an increased from the same period of the year 2020 which was 80.08%. The Company has already set guidelines for price adjustments with customers as appropriate to the market conditions together with the company The production process has been improved to be more efficient. This will help result in the ratio of cost of sales to revenue from sales of the company improved and had a significant impact on operations to a minimum.

Selling and Administrative Expenses

Selling Expenses

In 2019 - 2021, the Company had selling expenses from the separate financial statements and the consolidated financial statements equal to 35.27 million baht, 38.60 million baht and 45.97 million baht, respectively, and the ratio of selling expenses to total revenues were 5.32%, 4.75% and 4.46% respectively. Selling expenses mainly consisted of salary, bonus, and commission of the sales department and public relations expenses to promote sales and make the brand well known. The company has continuously participated in the exhibition to promote brands abroad. In 2018, the company participated in the exhibition to promote brands in Turkey, Malaysia, China and Dubai. Comparing 2020 with 2019, the company has selling expenses equal to 38.60 million baht with the ratio of selling expenses to total income of 4.75%, an increase from the same period of 2019 in which the company had selling expenses equal to 35.27 million baht and the ratio of selling expenses to total income of 5.32% with an increase in value was 3.33 million baht or an increase of 9.44%, mainly due to an increase in commission from selling products of pumps, centrifugal pumps and motors for pools and spas Also known as Pool Pump motor-Axial flux (BLDC), including the cost of shipping to overseas in line with rising international sales.

In 2021, the Company had selling expenses from the separate and consolidated financial statements of 45.97 million baht or equivalent to the ratio of selling expenses to total revenue of 4.46%, an increase of 7.37 million baht from the same period of last year, or an increase of 19.09%, mainly due to the commission for selling various products and the cost of transporting goods to foreign countries which was in line with the increase in overseas sales coupled with the problem of freight costs and transportation costs have increased from the ongoing shortage of containers. After the global economy has begun to recover, exporting countries have to compete for containers for export including promotional expenses that are a key factor in boosting sales amid the current competition among competitors.

Administrative expenses

In 2019 - 2021, the Company had administrative expenses from the consolidated financial statements equal to 57.28 million baht, 56.08 million baht and 56.13 million baht, respectively, or equivalent to the ratio of administrative expenses to total income of 8.47%, 6.90% and 5.45% respectively. Administrative expenses mainly consist of salary expenses, executive and employee bonuses, and various administrative expenses, etc. Comparing 2020 to 2019, the Company had administrative expenses from the consolidated financial statements equal to 56.08 million baht or equivalent to the ratio of administrative expenses to total revenues of 6.90%, a decrease of 0.14 million baht from the same period of the previous year or a decrease of 0.26%, mainly due to a decrease in the allowance for doubtful accounts receivable of related companies. that have been settled in the year 2020.

In 2021, the Company had administrative expenses from the consolidated financial statements equal to 55.79 million baht or equivalent to the ratio of administrative expenses to total income of to 5.41%. This was a decrease from the same period of the previous year by 0.29 million baht or 0.52%, and administrative expenses from the separate financial statements, the Company had administrative expenses of 56.13 million baht or equivalent to the ratio of administrative expenses to total income was 5.45 percent, a slight increase from the same period last year by 0.04 million baht or an increase of 0.07%.

Mainly decreased from Fees for obtaining licenses for export certification and professional fees including contributions to the Social Security Fund to reduce the rate of contributions. As the Ministry of Labor has issued a ministerial regulation to ease the burden of employers and insurers from the impact of the coronavirus disease 2019 outbreak.

Financial cost

In 2019-2021, the Company's financial costs from separate and consolidated financial statements were 1.08 million baht, 0.35 million baht and 0.14 million baht, respectively. Interest on liabilities under financial leases Interest paid on loans from financial institutions, etc. When comparing the year 2020 and the year 2019, it was found that the company had financial costs from the consolidated financial statements equal to 0.35 million baht or the financial cost to total income equal to 0.04%, a decrease of 0.72 million baht from the same period last year, or a decrease of 67.15%, since in 2020, the company has already paid off all loans in the low-interest loan project from the Ministry of Energy. The remaining was only interest arising from the liabilities under the finance lease.

For the year 2021, the company's financial cost from the consolidated financial statements is 0.14 million baht or is the ratio of financial cost to total revenue equal to 0.01%, a decrease of 0.21 million baht from the same period of

the previous year or a 60.59% decrease because in 2021, the Company had remaining interest from liabilities under financial lease contracts only.

Gross margin and Net profit

From 2019 - 2021, the Company had gross profit from separate financial statements and consolidated financial statements equal to 106.49 million baht, 158.51 million baht and 186.95 million baht, respectively with gross margin of 16.49%, 19.92% and 18.87%, respectively.

The net profit from the consolidated financial statements in 2019 – 2021 was 28.48 million baht, 79.44 million baht and 101.65, respectively, or equivalent to a net profit margin of 4.29%, 9.77% and 9.86%, respectively. Comparing 2020 and 2019, the company has a net profit of 79.44 million baht with net profit margin of 9.77%, an increase from the same period of the previous year by 52.12 million baht or an increase of 190.85%. The net profit from the consolidated financial statements in 2020 was 79.44 million baht, representing a net profit margin of 9.77%, an increase of 50.96 million baht from the same period last year or an increase of 178.93%. The increase was in line with the increase in sales and the price of main raw materials such as silicon, copper wire decreased in line with the world market price.

In 2021, the Company had gross profit from separate and consolidated financial statements of 186.95 million baht or equivalent to 18.87%, an increase from the same period of the previous year by 28.44 million baht, or an increase of 17.94%.

The net profit from the separate financial statements in 2021, equal to 101.65 million baht and the net profit margin to total income was 9.86%, an increase from the same period of the previous year by 22.22 million baht or an increase of 27.97%. Net profit from the consolidated financial statements in 2021 was 102.09 million baht and the net profit margin to total income was 9.91%, an increase of 22.65 million baht from the same period of the previous year, or an increase of 28.52%. The main reason of the increased profit is from the increased in sales. In addition, the company gained foreign exchange rate due to an improvement in US dollars and Australian dollars. When considering the net profit margin on the total income. It was found that the growth rate was slower than the same period last year. It consists of 2 reasons, the first reason being the effect from the price of main raw materials that have increased, even though the company has been planning to deal with this situation and has prepared to stock the main raw materials since late last year. At present, the company still keeps on stocking on these materials. The company is able to make a profit during negotiations for price increases with the customers during this period as well. The second reason is an increase in corporate income tax expenses because the company has already exercised the corporate income tax exemption for the net profit derived from the business operation from the investment promotion, the full amount in 2020, the corporate income tax expense for the year 2021 will increase according to the actual net profit.

Financial position

Assets

As of December 31, 2019 and 2020, the Company's total assets from the consolidated financial statements were 644.99 million baht and 757.32 million baht, respectively, and in 2021, the total assets value from the separate financial statements was 1,017.96 million baht, important which affect the change in the total assets of the Company as follows:

Variable assets

As of December 31, 2019 and 2020, the Company's current assets from the consolidated financial statements were 409.48 million baht, and 513.48 million baht, respectively, and the ratio of current asset to total assets of 63.50%, 63.50% and 67.80%, respectively, and in the year 2021, the value of current assets from the separate financial statements is 596.42 million baht or accounted for as a proportion of total assets equal to 58.59% with Details of each important transaction are as follows.

- Cash and cash equivalents: As of December 31, 2019, 2020 and 2021, the value is 9.68 million baht, 47.03 million baht and 25.05 million baht, respectively, and the ratio of cash and cash equivalents to total assets were 1.50%, 6.21% and 2.46%, respectively. The cash and cash equivalents consists of savings account deposits of 23.46 million baht or 93.65% and foreign currency deposits of USD 2.59 million or 5.51%. Comparing 2021 and 2020, there was a decrease of cash and cash equivalents by 21.98 million baht or 46.74%. The Company used this cash and cash equivalents as circulating in business.

- Current investments and other current financial assets: As of December 31, 2019, 2020 and 2021, the value is 128.98 million baht, 141.00 million baht and 38.64 million baht, respectively, and the ratio of current investments and other current financial assets to total assets were 20.00%, 18.62% and 3.80%, respectively. In 2021, the Company invested in the purchase of additional land and buildings of 40.00 million baht for use in future business expansion and to invest in building a ready-made warehouse of 21.60 million baht. To support the increase in stock of finished goods at present and part of it is used to pay dividends of net profit from the second half of 2020 results and dividend of the net profit from the first half of the year's performance. Year 2021, total dividend payment of 32.06 million baht.

- Trade accounts receivable: As of December 31, 2019, 2020 and 2021, the value is 116.73 million baht, 143.17 million baht and 187.78 million baht, respectively, and the ratio of trade accounts receivable to total assets were 18.10%, 18.90% and 18.45%, respectively. Details are as follows.

Unit: Million baht

	Separated and Consolidated financial statements		
	31 Dec 19	31 Dec 20	31 Dec 21
Trade receivables - related companies - net	-	-	-
Trade receivables - other companies	116.73	143.17	187.78
Less allowance for doubtful accounts - other companies	(0.00)	(0.00)	(0.00)
Trade receivables - other companies - net	116.73	143.17	187.78
Total trade accounts receivable - net	116.73	143.17	187.78

The comparison between year 2020 and 2021 shows an increase in trade accounts receivable of 44.61 million baht or 31.16%. In 2019 - 2021, the Company has an average debt collection period of 60 days, 59 days and 61 days respectively. This demonstrates better efficiency through faster debt collection with a decrease in trade receivable turnover ratio. The Company considers and analyze before giving credit term to new customer to control credit quality and help reduce the incidence of bad debts and doubtful accounts. For new customers, the company will accept payment in cash and will consider giving credit after the customer has traded with the company for a period of 6 months with consideration on the amount of purchase and order frequency.

- Inventories: As of December 31, 2019, 2020 and 2021, the value was 128.46 million baht, 162.38 million baht and 314.50 million baht, respectively, with ratio of inventories to total assets of to 19.92%, 21.44% and 30.89%, respectively. The detail is as follows.

Unit: Million baht

Separated and Consolidated financial statements			
	31 Dec 19	31 Dec 20	31 Dec 21
Finished product	28.43	28.45	63.34
Work in progress	27.53	31.47	58.64
raw material	77.59	108.91	199.71
Total	133.55	168.83	321.69
Less inventory value allowance	(5.10)	(6.45)	(7.20)
Inventories - net	128.45	162.38	314.49

Comparing year 2021 with 2020, the company has an increase in inventories of 152.11 million baht or 93.68% due to the Company's continuous sales in the past. This was due to the Company's quality product, on time delivery and good after-sales service enabling the Company to meet the needs of customers. As a result, many large customers have made more purchases and the Company has been continuously promoting. Therefore, there is a new customer base and the company needs to consider to increase production volume and order additional raw materials to be sufficient and in line with the target sales. In 2019 - 2021, the company has an average product sales period of 81 days, 82 days and 107 days, respectively. The Company has a policy of decreasing inventory value from considering the deterioration of inventories. Most of the raw materials and finished goods are made from copper, silicon and aluminum wire. Therefore, there is a relatively low chance of deterioration. For finished goods and sample products that the engineering department made as models, there is an allowance for devaluation of inventories if they are over 3 years old. For raw materials, they are being grouped according to the types of and the age of such raw materials to make an allowance for the devaluation of inventories, for example, tires generally last about 6 months. After 6 months, the tires will begin to wear out and harden making it impossible to use; there is an allowance for devaluation of such inventories, etc. In 2019, 2020 and 2021, the Company has set up an allowance for devaluation of inventories of 5.10 million baht, 6.45 million baht and 7.20 million baht, respectively.

Non- current assets

As of December 31, 2019, 2020, the Company's non-current assets from the consolidated financial statements were 235.41 million baht, 243.85 million baht, respectively or accounted for as a proportion of total assets. equal to 36.50%, 32.20 percent, respectively, and in 2021, the value of non-current assets from the separate financial statements is 421.55 million baht or equivalent to 41.41% of total assets, with details of each important item as follows:

- Net property, plant and equipment: As of December 31, 2019, 2020 and 2021, the Company had property, plant and equipment - net equal to 225.55 million baht, 228.90 million baht and 413.16 million baht, respectively and the proportion to total assets is 34.97%, 30.22% and 40.59%, respectively. Compared to 2020 and 2019, there was an increase in land, buildings and equipment in the amount of 3.35 million baht, or an increase of 1.49 percent due to the reduction of machines in the year 2020 that have reduced working efficiency, expired and bring automation machines

and modern equipment with better performance to support the development of new products that will occur in the future as well. When comparing 2021 and 2020, it was found that there was an increase in land. Building and equipment in the amount of 183.91 million baht or an increase of 80.22% because during the year the Company has provided an appraisal of land by an independent appraiser, which has already been appraised on September 27, 2021 using the Sales Comparison Approach. The increase in revaluation is recorded in other comprehensive income and recognized in the account cumulative amount. "surplus on asset revaluation" in shareholders' equity In the same year, the Company purchased land and buildings to expand its production base for supporting existing and new products in the amount of 40.00 million baht and built a warehouse for finished goods of 21.60 million baht, including investment in additional machinery and equipment.

Liabilities

As of December 31, 2019, 2020, the Company has total liabilities from the consolidated financial statements of 190.05 million baht, 245.78 million baht, respectively, or accounted for as a proportion of liabilities and shareholders' equity equal to 29.47%, 32.45% respectively, and Year 2021 has total liabilities from the separate financial statements of 341.46 million baht or equivalent to 33.54% of debt and equity, with the total debt to equity ratio in the past 3 years equal to 0.42 times, 0.48 times and 0.50 times, respectively, which items of liabilities that have significant changes are as follows:

Current Liabilities

As of December 31, 2019, 2020, the Company has total current liabilities from the consolidated financial statements equal to 143.78 million baht, 215.70 million baht, respectively, or accounted for as a proportion of total assets. equal to 22.30%, 28.48 percent, respectively, and in 2021, the Company has total current liabilities from separate financial statements equal to 293.82 million baht or equivalent to 28.86 percent of total assets, details of each important item are as follows: this

- Trade payable: As of December 31, 2019, 2020 and 2021, the value is 120.35 million baht, 195.45 million baht and 252.40 million baht respectively with ratio of trade payable to liabilities and shareholders' equity equal to 18.66%, 25.81% and 24.79% respectively. Comparing 2020 and 2019, the company had an increase in trade payables of 75.10 million baht or an increase of 62.44%. Comparing 2021 and 2020, the Company's trade accounts payable increased by 57.04 million baht or an increase of 29.19%. The Company ordered raw materials to be stock products in advance to support the production from increasing orders from customers. In 2020 - 2021, the company has a debt settlement period of 74 days, 90 days and 101 days respectively. The company received about 90 days of credit term from most suppliers in 2021. The payment period was delayed compared to 2020 which the credit term from foreign suppliers was approximately 75 days.

Non - Current Liabilities

As of December 31, 2019, 2020, the Company has total non-current liabilities from the consolidated financial statements equal to 46.26 million baht, 30.08 million baht, respectively, or accounted for as a proportion of liabilities and shareholders' equity equal to 7.17%, 3.97% respectively. And in the year 2021, the Company has total non-current liabilities from the separate financial statements equal to 47.64 million baht or equivalent to 4.68% of liabilities and shareholders' equity. The items of non-current liabilities that have important changes are as follows:

- Finance lease liabilities: As of December 31, 2019, 2020 and 2021, the value was 1.75 million baht, 1.12 million baht and 0.71 million baht, respectively, with ratio of Finance lease liabilities to total liabilities and shareholders' equity of 0.27%, 0.15% and 0.07%, respectively. The proportion had decreased because the company had better liquidity leading to the investment in additional machinery and equipment to be paid in cash instead of financial leases.

- Employee benefit obligations: As of December 31, 2019, 2020 and 2021, the value was 26.06 million baht, 28.96 million baht and 30.52 million baht, respectively, with ratio of employee benefit to total liabilities and shareholders' equity of 4.04%, 3.82% and 3.00% respectively. The Company has an obligation to pay compensation to employees upon termination in accordance with the labor law. The Company considers such compensation as a post-employment benefit plan for employees and the liability will be calculated according to the employee's post-employment benefit plan by using the "Projected unit credit method" by an independent expert. The said expert makes an assessment of such obligations on an actuarial principle. The criteria for the actuarial calculation consist of many factors, namely the number of employees increases with the growth of the company, employee salary increases due to promotion and fewer staff turnover which makes the probability that the employee will retire more likely. On April 5, 2019, the Labor Protection Act (No. 7) B.E. 2019 was published in the Government Gazette which has set additional compensation rates in case the employer terminates employees who have worked for 20 consecutive years or more. The company is entitled to compensate no less than 400 days of the final wage rate. This was effective from May 5, 2019 onwards. Comparing the years 2021 and 2020, it was found that the value of employee benefits increased from the year 2020, with an increase of 1.56 million baht or an increase of 5.39%, weighted average period for payment of long-term benefits of the Company's employees for approximately 8 years (2020 : approximately 9 years).

Shareholder's equity

As of December 31, 2019, 2020, the Company's total shareholders' equity from the consolidated financial statements was 454.85 million baht, 511.54 million baht, respectively, or accounted for as a proportion of debt and equity equal to 70.53% or 67.55%, respectively, and in the year 2021, the Company has total shareholders' equity from the separate financial statements equal to 676.50 million baht or equivalent to 66.46% of total liabilities and shareholders' equity. The major changes are as follows:

- Registered and paid-up capital: As of December 31, 2019, 2020 and 2021, the value was 154.12 million baht, 154.12 million baht and 154.12 million baht, respectively, with ratio of shareholder's equity to debt and equity of 23.90%, 20.35% and 15.14% respectively.

- Retained Earnings: As of December 31, 2019, 2020 and 2021, the Company has unallocated retained earnings in the amount of 77.55 million baht, 134.25 million baht and 199.25 million baht, respectively, with ratio of retained earnings to debt and equity of 12.03%, 17.73% and 19.57% respectively.

- Surplus from asset revaluation: As of December 31, 2021, the Company has surplus on asset revaluation amounting to 94.24 million baht or equivalent to 9.26% of liabilities and shareholders' equity.

Liquidity

The Company's liquidity ratio from the consolidated financial statements as of December 31, 2019, 2020 and 2021 is 2.85 times, 2.38 times and 2.03 times, respectively. It can be seen that in 2021, the company's liquidity ratio has decreased from 2020, which was caused by the company's stockpiling of some key raw materials this year because raw material prices tend to increase continuously. As a result, the company has a lower liquidity ratio.

In addition, if considering the quick liquidity ratio from the consolidated financial statements, it was found that as of December 31, 2019, 2020 and 2021, the Company's quick current ratio was 1.78 times, 1.54 times and 0.86 times, respectively. Quick turnover in 2021 decreased from 2020 and was in the same direction as the liquidity ratio from the consolidated financial statements. And if considering the cash cycle ratio, it will be found that as of December 31, 2019, 2020 and 2021, the Company's cash cycle ratio is 67 days, 52 days and 67 days, respectively, because the Company has average collection periods and consistent average sales period.

Cash flow for the year

Unit: Million baht

Details	Separated financial statements			Consolidated financial statements		
	2019	2020	2021	2019	2020	2021
Net cash provided by operating activities	38.68	126.34	8.51	38.66	126.33	8.48
Net Cash Used from Investing Activities	(164.09)	(40.09)	3.65	(160.96)	(40.09)	3.67
Net cash provided by (used in) financing activities	129.15	(48.88)	(34.13)	126.00	(48.88)	(34.13)
Net increase (decrease) in cash and cash equivalents	3.74	37.37	(21.97)	3.70	37.36	(21.98)
Cash and cash equivalents at the beginning of the year	5.93	9.66	47.02	5.98	9.68	47.03
Cash and cash equivalents at the end of the year	9.67	47.03	25.05	9.68	47.04	25.05

Net cash provided by (used in) operating activities

In 2021, the Company had cash generated from operating activities from the consolidated financial statements equal to 8.51 million baht mainly due to the Company's operation which was able to make profit before income tax expenses equal to 124.72 million baht and adjust the net profit to cash received from depreciation of 28.25 million baht, while the cash flow increased from trade receivables of 44.33 million baht, other receivables decreased in the amount 10.46 million baht and inventories increase of 152.86 million baht, cash flow increased from trade payable by 56.98 million baht, while cash flow decreased from other creditors by 15.51 million baht and short-term liabilities decreased by 0.60 million baht and cash flow decreased from income tax payment of 12.58 million baht.

Net cash received (used) in investing activities

In 2021, the company had net cash used in investing activities from the consolidated financial statements equal to 3.67 million baht, resulting from an increase in investment in other current financial assets equal to 102.84 million baht in which the company has invested in mutual funds and debt instruments and short term financial institution. There were investments to purchase Land, buildings and equipment in the amount of 98.39 million baht, cash payments for the purchase of computer software in the amount of 2.26 million baht and advance payments for equipment purchases of 1.31 million baht.

Net cash received (used) in financing activities

In 2021, the company had net cash used in financing activities equal to 34.13 million baht mainly due to the company paid dividends of 32.04 million baht and paid for debt under finance lease of 1.95 million baht.

5. General Information and Other Important Information**5.1 General Information**

Issuing company	:	Pioneer Motor Public Company Limited
Company registration number	:	0107558000164
Securities abbreviation	:	PIMO
Nature of business	:	Manufacture and sale of motors for air conditioners, industrial motor and submersible pumps, centrifugal pumps and motors for pools and spas. Design and manufacture of submersible pumps, centrifugal pumps, swimming pool pumps, electric motor for air conditioner, Motors for home pumps and induction motors
Head office location	:	No. 78, 78/4, 78/5 Moo 3, Don Tum-Nakhon Chaisri Road, Nakhon Chai Si District, Nakhon Pathom Province 73120
Telephone	:	(66) 34 265 111-8
Telefax	:	(66) 34 265 119
Website (URL)	:	www.pioneermotor.th.com
Registered capital	:	156,000,000 baht (One hundred fifty-six million baht)
Issued and paid-up capital	:	154,116,415 baht (one hundred and fifty four million one hundred and sixteen thousand four hundred and fifteen baht only)
Paid-up capital from the offering of warrants to purchase shares to ordinary shareholders of Pioneer Motor Public Company Limited 1st (PIMO - W1) no more than 104,000,000 units	:	24,116,415.25 baht (twenty-four million one hundred and sixteen thousand four hundred fifteen baht twenty-five satang) Total of 96,465,661 units
par value per share	:	0.25 baht (twenty five satang)

5.2 Subsidiary general information

Issuing company	:	VSM Company Limited
Company registration number	:	0135558008503
Nature of business	:	Manufacture of motors and generators
Head office location	:	No. 78, 78/4, 78/5 Moo 3, Don Tum-Nakhon Chaisri Road, Nakhon Chai Si District, Nakhon Pathom Province 73120
Website (URL)	:	www.pioneermotor.th.com
Registered capital	:	100,000 baht
Number of common shares	:	1,000 shares
Per value per share	:	100 baht per share
Directors	:	1) Mr. Wasun Itthirojanakul 2) Ms. Sirirat Itthirojakul 3) Mr. Christopher Robert Tep with Mr. Wasan Itthirojanakul or Ms. Sirirat Itthirojakul co-signing with Mr Christopher Robert Tape
Relationship to company	:	VSM (Thailand) Company Limited is a subsidiary of the Company. The Company holds 998 shares, representing 99.98% of the registered capital of VSM Thailand, and has common directors whom are 1) Mr Wasun Itthirojanakul 2)Ms Sirirat Itthirojanakul 3) Christopher Robert Tape
Shareholder structure	:	Pioneer Motor Public Company Limited holds 998 shares, representing 99.98 %. Mr. Wasun Itthirojanakul holds 1 share or 0.01%. Ms. Sirirat Itthirojkul holds 1 share or 0.01%.

5.3 Information of other references

Ordinary shares registra	Stock Exchange of Thailand (Next to the Chinese Embassy) 93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400 Telephone : (66) 2009 9000 Telefax : (66) 2009 9991 SET Call center : (66) 2009 9999
Auditor	AST Master Company Limited Certified Public Accountant No. 218 Thonglor Tower Building, 790/12 Soi Thonglor 18, Sukhumvit 55 Road, Khlong Tan Subdistrict, Khlong Toei District, Bangkok 10110 Telephone : (66) 2714 8843, (66) 2185-0342
Subsidiary auditor	KAS Audit Company Limited Certified Public Accountant No. 8742 131/194 Kanchanaphisek Road Thap Chang Subdistrict, Saphan Sung District Bangkok 10250 Telephone : (66) 2106 3863

Legal advisor	Legal Office, Legal Advisory Council Co., Ltd. 16th Floor, Olympia Thai Building, 444 Ratchadaphisek Road, Samsen Nok, Huai Khwang, Bangkok 10320 Telephone (66-2) 512-6090 Telefax (66-2) 512-6091 Website www.lacllaw.com
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5.4 Legal Dispute

As of December 31, 2021, the Company has no legal disputes that the case has not yet ended that may affect the Company's business operations significantly and no legal disputes that may have a negative impact on the assets of the Company with an amount greater than 5% of the shareholders' equity.

Part 2

Corporate governance

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Practices

The Company realizes the importance of operating its business for sustainable growth under Corporate Social Responsibilities by emphasizing on operating its business with care for stakeholders, the economy, society and the environment with morality, ethics and codes of conduct. And the company adheres to the principles of corporate governance to comply with the laws related to anti-corruption and bribery, which the company hopes that the business operation under social responsibility and anti-corruption and bribery. It will bring benefits to the public along with the growth of the company. At the same time, the Company has formulated a policy of social responsibility and anti-corruption and bribery divided into 6 sections as follows:

Section 1 Fair Business Operations

The company focuses on doing business with honesty, fairness, and ethics according to the framework of competition rules under relevant laws and regulations including ethical principles and the principle of equal competition including denying any behavior anything that impedes fair competition, such as seeking competitors' confidential information, seeking, receiving and giving any benefits that are dishonest in trade, etc. In addition, the Company also respects the intellectual property rights of others, the Company has a policy for its personnel to comply with the laws or requirements related to intellectual property rights, such as the use of computer programs that are legally copyrighted, etc. In addition, the Company has a project Campaign to promote and cultivate the subconscious mind for the Company's personnel at every level to create social responsibility as well.

Section 2 Respecting Human Rights

The company has respect for living things and the human dignity of all people. This is the fundamental right of all people and is the foundation of human resource management and development including building relationships in the society. The Company therefore has a guideline for equality regardless of differences in race, color, sex, language, religion, political beliefs or belief in any other way, national or social background, property, origin or status. Opinions

that may bring conflict to the company should be avoided. This is to provide guidelines so that our human rights actions are conducted in ethical approach.

Section 3 Fair Treatment of Labor

The Company recognizes the importance of human resource development and treats workers fairly. This is a factor that will add value to the business and enhance the company's competitiveness and sustainable growth in the future. The Company has set policies and guidelines as follows:

- 1) Respect the rights of employees according to human rights principles and comply with labor laws.
- 2) Provide an employment process and fair employment conditions including compensation and consideration of results under a fair performance evaluation process.
- 3) Promote human resource development by organizing training, seminars, training, including sending personnel to attend seminars and academic training in various fields related to the development of knowledge, abilities, and potential of personnel including instilling good attitude, morality, ethics and teamwork.
- 4) Provide welfare in various fields for employees as required by law, such as social security, provident fund, etc., and other than those required by law, such as medical benefits etc., including providing various types of subsidies to employees such as funeral assistance, etc.
- 5) Focus on organizing the work environment to ensure safety at work and provide welfare such as clean and safe drinking water in the workplace clean bathroom as well as providing various facilities such as Internet services.
- 6) Operate employees to work safely and good workplace hygiene by providing measures to prevent accidents and enhancing employees' safety awareness including organizing training and encourage employees to have good hygiene and take care of the workplace to be hygienic.
- 7) Provide opportunities for employees to express their opinions or complaints about unfair practices or improper actions in the Company including providing protection to employees who report such matters.

Section 4 Customer Responsibility

The company gives importance, cares and is responsible to customers both in terms of product quality Good service and standard Customer confidentiality and an emphasis on fair and equitable pricing under the available pricing policy

- 1) The purchase of goods and services from business partners is subject to commercial terms by strictly complying with the contracts made together to create a relationship that will bring long-term benefits to both parties.
- 2) Compliance with the borrowing conditions under the existing agreements.
- 3) Responsible for customers in terms of product quality and providing good and standard services Customer Confidentiality and an emphasis on fair and equitable pricing under the available pricing policy.
- 4) Compliance with the rules good competition including avoiding dishonest methods to destroy competitors.
- 5) The Company attaches importance to the supervision of all groups of stakeholders such as customers, employees, trading partners, shareholders or investors, creditors and communities where the Company is

located, etc. Stakeholders will be taken care of by the Company according to the rights under the relevant laws, the Company will not take any action which violates the rights of stakeholders under the law or according to the agreements, the Company has considered to have a process to promote stakeholder participation in accordance with the roles and duties that are involved in enhancing the performance of the company in order to operate the Company's business well as well as to create sustainable stability for the business and create fair benefits to all parties. In addition, the Company provides channels for stakeholders to communicate, suggest or provide information to the Board of Directors. through independent directors or audit committee of the company Considering that there is a process to promote cooperation between the companies with stakeholders in wealth creation financial stability and sustainability of the business as follows.

Give importance to employees at all levels of the company by treating employees equally, fairly, and providing compensation that is appropriate to the knowledge and abilities of each employee Along with focusing on continuous development of potential and knowledge including the importance of taking care of the working environment. Taking into account the safety of work and the quality of life of employees is important.

Give importance and responsibility to the community and nearby society regarding the environment including to support activities for the public benefit of the community as well as to develop the environment of the community and society for a better life by considering as appropriate.

Section 5 Caring for the Environment

The Company attaches great importance to and is responsible to the community and nearby society regarding the environment. The Company strictly complies with the laws, regulations and standards related to environmental management including the implementation and control of compliance with laws related to environmental protection and preventive and corrective measures have been established when there is an impact on the environment due to the Company's operations including the company Resources are used efficiently and cost effectively.

Section 6 Participating in Community or Society Development

The company gives importance and responsibility to the community and society. Therefore, there is a policy to support activities for the public benefit of the community as well as to develop the environment of the community and society for a better life by considering as appropriate.

The company has reviewed the policy on good corporate governance every year for the year 2021. The committee has considered and reviewed the implementation of the CG Code 2017, which consists of 8 codes of practice and guidelines, to apply the Company's business context in order to be consistent with the Stock Exchange of Thailand.

The Company has a written anti-corruption policy and guidelines not to demand, accept, pay, and do not do business with individuals and juristic persons related to corruption which has been approved by the Board of Directors and published on the company's website at <http://www.pioneermotor.th.com/download/file/81b91191.pdf>

Business Ethics

Pioneer Motor Public Company Limited has established a Code of Conduct and Code of Conduct for executives and employees to comply with the following:

1. Code of Conduct for Executives

Executive means employees with subordinates in addition to the management must comply with every code of conduct. Clause as an employee of the company, Executives must have good practices to enhance their leadership. And as the supervisor of the employee must be a leader and a role model in good behavior for employees in general. Therefore, guidelines for management are set as follows:

1.1 Executive treats shareholders

Executives must perform their duties with honesty, prudence, care, and a broad vision. One does not seek benefits for himself and his comrades from corporate information which has not been disclosed to the public and does not disclose corporate confidential information to outsiders including not taking any action which may cause conflicts of interest.

1.2 Executive treats employees

Executive must treat employees fairly. Administered with impartiality support in building the potential for advancement and increase the efficiency of employees' work as well as encouraging employees to understand the code of conduct that employees must follow. Provide welfare for employees appropriately and treat employees with good faith, Listen to your opinions and suggestions rationally.

1.3 Executives treat customers

Executive must treat customers in accordance with business ethics strictly defined by the company.

1.4 Executives to partners

Executive must treat business partners fairly. Do not claim or receive any benefits unfairness from partners and if unable to comply with any of the conditions. Please notify business partners in advance in order to jointly find solutions.

1.5 Executive treats competitors

Executive must treat competitors under the framework of good competition rules and not seek confidential information of competitors in a dishonest way.

1.6 Executives treat society and the environment

Executives must act or control to ensure compliance with relevant laws and regulations, and be responsible to society, including to cooperate, assist, support and volunteer for activities that are beneficial to the community and society.

2. Code of Conduct for Employees

To enhance good work, employees should have guidelines as follows:

2.1 Employees should perform their duties with honesty and with perseverance diligent and improve work efficiency. This is for the benefit of oneself and the company.

2.2 Employees should behave in accordance with the rules, strict work regulations of the company.

2.3 Employees should respect and obey their supervisors who give orders in accordance with the policy and regulations of the company.

2.4 Employees should have solidarity with each other and generous to help each other does not cause conflict which will lead to damage to other persons and the Company.

2.5 Employees should respect the rights and respect each other, avoiding the use of other people's information or stories, both in relation to their operations and personal matters to be disclosed or criticized in a manner that will cause damage to both employees and the company.

2.6 Employees should avoid accepting any gifts that may make themselves feel uncomfortable in performing duties in the future. If unavoidable, notify the supervisor immediately.

2.7 Employees do not use their position or benefits from work duties seeking personal benefits or their party or doing business in competition with the company.

2.8 Employees should treat customers and business partners with honesty and with equality.

2.9 Employees must strictly maintain the confidentiality of customers, business partners and the organization.

2.10 Employees must report the matter that has been known to their supervisors without delay when the matter known may affect the operation or the reputation of the company.

2.11 Employees should maintain and take care of their benefits and the Company's assets to be in good condition so that they can be fully utilized, economical, not wasted, wasted, damaged or deteriorated prematurely.

Penalty

In the event that the management and employees behave in a manner that causes a conflict of interest with the Company Consider according to the organizational structure of the company. and regulations on work In this regard, each department shall preliminarily consider and summarize the matter forwarded to high-level supervisors and related departments later.

In order to determine the offense and specify the appropriate punishment But if the conflict of interest is severe and causes a lot of damage may not be in the diagnosis of the agency then bring the matter to the management of the company to consider finding a conclusion and determine the next penalty.

Penalties

1. Verbal admonition
2. Admonish with a book
3. Cut wages
4. Take a break from work
5. Termination of employment without compensation under labor protection law.
6. Legal action

6.2 Significant changes and developments in policies, practices and corporate governance systems in the past year

The Company has reviewed the Corporate Governance Policy by referring to the Good Corporate Governance Principles for Listed Companies 2012 of the Stock Exchange of Thailand and the Good Corporate Governance Principles. For listed companies in 2017 (CG Code) of the Securities and Exchange Commission.

The management has considered and found that most of the practices have been applied and presented to the Board of Directors for acknowledgment in principle. At the Board of Directors Meeting No. 7/21 on Tuesday, November 9, 2021 and in accordance with the above principles, the Board of Directors has reviewed and approved the original policy and additional policies as follows:

1. Gift Giving or Receiving Policy entertainment and donations, 2. Privacy Policy, 3. Social and Environmental Policy, 4. Political Neutrality Policy, 5. Tax Practice Policy, 6. Procurement Policy, 7. Conflict of Interest Policy

Including the company has revised the evaluation form of directors and consider reviewing and improving the corporate governance policy to be in line with corporate governance principles for listed companies in 2017 (CG Code) of the Securities and Exchange Commission. The details of the policies that have been implemented are as follows.

a. Gift Giving or Receiving Policy Entertainment and donations

For executives and employees of Pioneer Motor Public Company Limited have an understanding of the policy of giving or receiving gifts, entertainment throughout the various donations including understanding the scope Criteria to implement them correctly Appropriate for disbursement of gifts entertainment and participating in recreational activities including donating money and things.

General principles

1. Executives, employees must avoid giving or receiving gifts and entertainment from customers, partners, contractors or business related parties.

2. In the event that it cannot be avoided, executives and employees must comply with the Company's policy regarding giving or receiving gifts. Entertainment and donations by giving or receiving must not violate the law, sell bribes or support political activities.

3. Donation in case of inevitable, the donation must be made to a legitimate person or organization.

4. Do not claim or take any action that implies that the customer, partner or related person understands that all kinds of gifts must be given.

5. Do not accept or give gifts to related persons whether the customer partners or others in the form of cash or anything else that can be exchanged for cash in any case.

6. Giving or receiving gifts.

Giving

To deliver to the public Human Resources/Administration then the human resource manager/administrator or the person who assigned to collect the gifts received propose Executive Directors and Supervisors for charitable donations as appropriate In case of perishable items such as food, snacks or fresh items, they must be returned to that party for distribution within the organization.

Receiving It must be approved by the department manager. If the value exceeds 10,000 baht (ten thousand baht) must be approved by the Director who supervises and must strictly follow the Company's purchasing or withdrawing procedures.

Entertainment

1. In case of receiving or having to entertain the adopter or the person representing the party is prohibited from accepting or serving if this is the case.

- a. contrary to the regulations or orders or policies of the Company or contrary to the law in all cases
- b. being involved in corruption or bribery (Influence in business decisions)
- c. luxury or waste or support political activities causing damage to the Company's reputation
- d. being obscene, obscene
- e. In such Representatives of the party and the party must be present until the end of the party.

2. The reception or entertainment that the representative must have a position of not lower than a section manager or higher.

3. Any party that is worth more than 10,000 baht (ten thousand baht) must be approved by the Director who directs the line at all times.

2. Privacy Policy

The Company adheres to conducting business with ethics, respect and comply with applicable laws as well as realizing the importance of respecting the privacy of customers, shareholders, employees of the Company and other persons related to the Company. And to ensure that such persons are entitled to protection In accordance with the Personal Data Protection Act of 2019, the Company has established a Personal Data Protection Policy. This policy specifies how the Company treats personal data such as the collection, storage, use, disclosure, including the rights of the personal data subject with strict measures to maintain the security of personal data to ensure that information received by the Company will be used according to individual needs and in accordance with the law.

3. Social and Environmental Policy

The Company intends to operate business in a sustainable manner based on environmental responsibility by focusing on reducing environmental impacts arising from business operations in various parts.

The company has a policy to promote the development of production processes, innovate to reduce the impact on the environment that may occur by controlling and reducing various pollutants including water, air, and contaminants that are released into the external environment. Reduce waste from production processes and general use including finding ways to reduce the transmission of waste to the outside for disposal as much as possible.

In addition, the company has improved the working environment to be safe and suitable for each part. There are guidelines for preventing and controlling accidents from operations for both employees, contractors and related third parties as well as to promote and create awareness of health care of employees and their families, society and communities around the factory are supported through the community participation process for sustainable development.

4. Political Neutrality Policy

1. The Company has a policy not to provide financial support or resources to the Company whether directly or indirectly for the benefit of any politician or political party or for the benefit of the Company in obtaining contracts or drafting laws for the benefit of the Company's business.

2. The company does not do anything related to politics not participating in the campaign or advertising for any political party or politician in the area of the company including not using the Company's resources and assets in that regard, there is no way to provide political assistance whether directly or indirectly.

3. The Company encourages employees at all levels to comply with the law, the Constitution, and uphold the democratic system and encourage employees at all levels to exercise their political rights in accordance with the law as good citizens can express join to support the exercise of political rights outside the Company's working hours in that regard.

4. Employees at all levels of the Company can exercise their political rights by acting on behalf of each individual including not using the position in the company or the name or brand of the company influencing others to pay subsidies or to support any politician or political party.

5. The Company has no policy for employees at all levels of the Company to order or influence by any means that makes employees and

6. Subordinates participate in all kinds of political activities that can cause conflicts within the organization and cause damage to the company in all cases.

5. Tax practice policy

1. Tax Planning and Practice Guidelines

- Provide management, tax planning and paying taxes in accordance with the guidelines prescribed by law to maintain the reputation and image of the company as well as having tax practices that are consistent in the same direction for the Company to get the right tax benefits.

- Arrange for tax remittance or requesting a proper tax refund within the time limit, relevant laws or regulations in the country in which the Company in operation including adherence to roles and duties good citizenship by complying with the tax laws of that country to reflect transparency in tax operations.

- Provide planning, study, analysis of tax impacts for various investment projects of the company to be suitable before investing in accordance with the investment structure and investment policy by using benefits and tax structures legally.

2. Tax coordination

- Assign a person responsible for tax to coordinate, get in touch with government tax authorities who have knowledge and skills in taxation by providing accurate tax information that meets the facts of doing business.

- Knowledge is provided. Consultation with various agencies and employees within the company about taxation in order to operate properly in accordance with the tax laws, including continually providing training on tax law for operators to increase their knowledge and used to perform the task correctly.

- Disclosure tax policy to stakeholders.

3. Tax advisor

- Provide tax advisors with expertise and giving advice to ensure transparency and in accordance with the legal guidelines for tax planning and practice.

6. Procurement Policy

1. Procurement by considering the cost-effectiveness efficient and effective in terms of quality, price and service for the maximum benefit to the company.

2. Procurement with a focus on business ethics not taking advantage of partners and provides accurate, complete, clear information; disclose and treat business partners equally including listening to opinions Partner's suggestion.

3. Procurement with transparency, fairness, verifiability, strictly complying with relevant regulations and laws.

4. Sustainable procurement and management of suppliers taking into account the environmental impact Social responsibility and good governance or good corporate governance (Environmental, Social and Governance: ESG), including consideration of regulated partners. Partners to operate in accordance with the partner practices of Pioneer Motor Public Company Limited, which is part of sustainable supply chain management.

5. Procurement by considering the cost-effectiveness efficient and effective in terms of quality, price and service for the maximum benefit to Pioneer Motor Public Company Limited.

6. Knowledge Management and to drive the use of technology and innovation to develop procurement potential.

7. Conflict of Interest Policy

1. Ensuring that the Company complies with the rules, procedures and disclosure of connected transactions as strictly required by law or regulatory authority and in accordance with the Company's regulations.

2. Avoid making transactions related to oneself or related persons/juristic persons that may cause conflicts of interest with the Company.

3. In the case that the transaction is a connected transaction which does not comply with general trading conditions in accordance with the principles approved by the Board of Directors or the nature and size of the transaction are not under the management's jurisdiction must pass the review and give opinions from the Audit Committee before proposing for approval from the Board of Directors or shareholders.

4. In case it is necessary to make a connected transaction such transactions must be in accordance with general trading conditions in accordance with principles approved by the Board of Directors with transparency and fairness. It is like doing transactions with outsiders and taking into account the best interests of the company.

5. Stakeholders must not take part in considering transactions with which they have conflicts of interest.

For the rest of the matter, the company will continue to review and make improvement to increase the efficiency of governance and raise the standards of corporate governance of the company in accordance with the principles of good corporate governance, for Listed Companies Year 2017 (CG CODE).

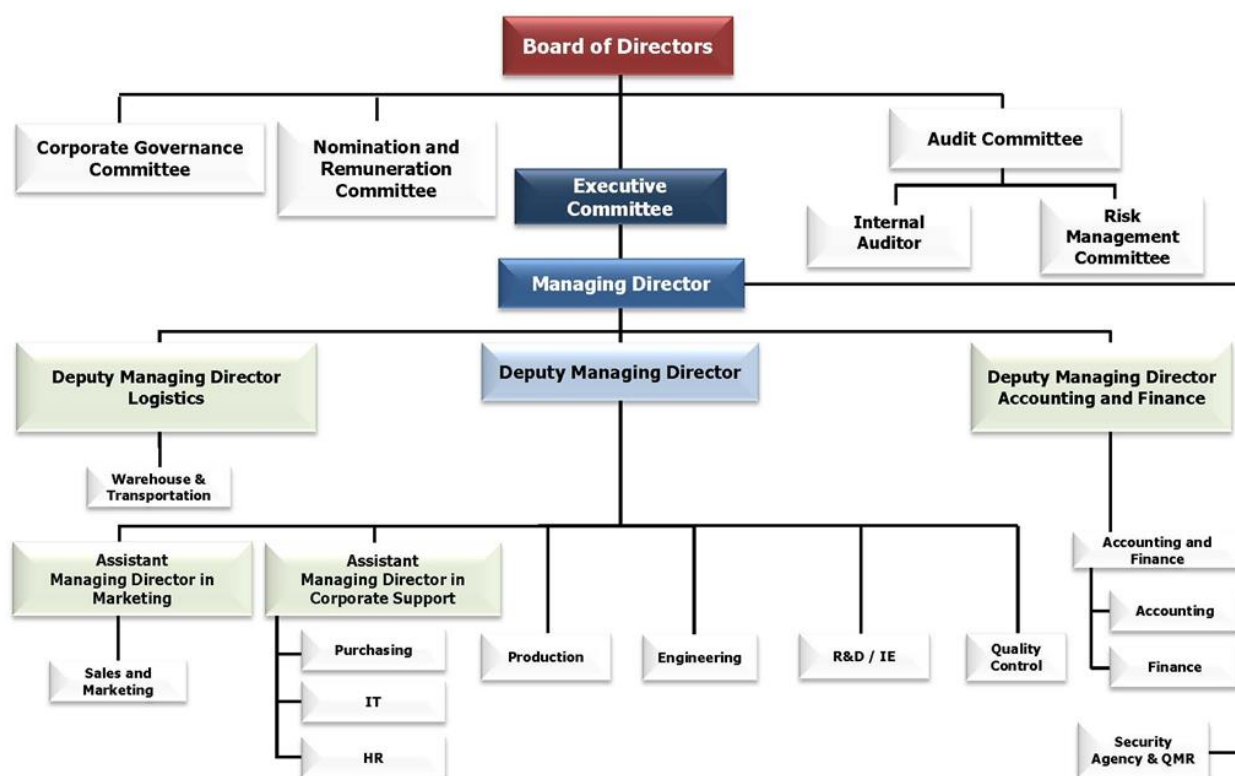
In the past year, the company was assessed by the Corporate Governance Report of Thai Listed Companies 2021 (CGR) project under the supervision of the Institute. Thai company directors (IOD) with support from the Stock Exchange of Thailand (SET) at a very good level (Very Good) or a 4-star rating with an average score of 85% and a

score of 98 from the AGM Quality Assessment Program (AGM) by the Thai Investors Association. The Association of Listed Companies and the SEC is very proud. The assessment results reflect the cooperation of the Board of Directors, the management team and employees in the organization as well in striving to develop good corporate governance continually along with business operations for sustainable growth of the organization.



7. Corporate Governance Structure and important information about the board Sub-committees, executives, employees and others

7.1 Corporate Governance Structure



Remark: - The definition of "management" according to the Notification of the Securities and Exchange Commission No. KorJor. 17/2551 shall be in bold outline.

- The internal auditors of the company are outsourced by appointing Acc-Plus Consultant Co., Ltd. to perform the above function

7.2 Information about the Board of Directors

The Board of Directors consists of Executive Director Directors who are representatives of shareholders and independent directors The Chairman of the Board of Directors is an independent director. Each person with the CEO of the company. There are 8 directors, the ratio of independent directors to total directors is 50% and the ratio of non-executive directors to total directors is 50%.

The list of directors (8 directors) as of 31 December 2021 is as follows.

Name - Surname	Position
1. Mr. Satian Pooprasert	Chairman of the Board
2. Miss Jirayong Anuman-rajadhon	Chairman of Audit Committee / Independent Director / Chairman of the Risk Management Committee / Nomination and Remuneration Committee
3. Mrs. Pennapha Dhanasarnsilp	Audit Committee Director / Independent Director / Chairman of the Nomination and Remuneration Committee
4. Police general. Sakda TechaKriengkrai	Audit Committee Director / Independent Director
5. Mr. Wasun Itthirojanakul	Board of Directors / Risk Management Committee / Nomination and Remuneration Committee
6. Mr. Christopher Robert Tape	Board of Directors / Risk Management Committee
7. Mrs. Podjamarn Wongsuwan	Board of Directors
8. Miss Sirirat Itthirojanakul	Board of Directors / Company secretary

Remark: The Board of Directors was appointed from the 2015 Annual General Meeting of Shareholders on March 26, 2015 and from Board of Directors meeting No. 1/2015 (first time after conversion) on April 29, 2015.

- Mr. Virath Charnpanich does not wish to resume his position as a director of the Company and vacate his position as a director of the Company and there is no replacement, effective from 24 April 2019 onwards

Authorized directors

The authorized directors to sign on behalf of the company are Mr. Wasun Itthirojanakul, Mrs. Podjamarn Wongsuwan, Miss Sirirat Itthirojanakul, two of these three directors jointly sign with the company's seal.

The authorized director to sign on behalf of the subsidiary is either Mr. Mr. Wasun Itthirojanakul or Miss Sirirat Itthirojanakul, to co-sign with Mr. Christopher Robert Tape to be 2 persons.

Roles and Duties of the Chairman

In order to clearly separate the segregation of powers and duties in setting policies and the Company's administration. The company therefore assigned the chairman of the board, Executive Chairman being a different person. The chairman of the board has the following roles and responsibilities:

- 1 Call a meeting of the Board of Directors Chairman of the Board of Directors' meeting and shareholder meeting as well as play a role in setting agendas for meetings with the President.
- 2 Play a role in controlling the meeting to be effective in accordance with the regulations. Articles of Association Support and provide opportunities for directors to express their opinions independently.
- 3 Support and encourage the Board of Directors perform duties to the best of their ability according to the scope of powers, duties, responsibilities and in accordance with the principles of good corporate governance.
- 4 Supervise and monitor the management of the Board of Directors. and other sub-committees to achieve the stated objectives.
- 5 Being a casting vote in the event that the Board of Directors' meeting general meeting of shareholders In case of voting and the votes of both parties are equal.

Scope of Duties and Responsibilities of the Board of Directors

1. Perform duties responsibly caution Integrity and prudence, as well as performing duties in accordance with the law, objectives, articles of association of the company, as well as shareholders' resolutions.
2. To consider and approve the appointment of a person who has qualifications and does not have any prohibited characteristics as prescribed in the Public Limited Company Act B.E. 2535 and the law on securities and exchange, including announcements, regulations and/or rules related to director positions in the event that the director's position is vacant for reasons other than retirement by rotation.
3. Consider appointing the Executive Committee by selecting from the Company's directors, as well as defining the scope of duties and responsibilities of the Executive Directors.
4. To consider and appoint independent directors and audit committee based on qualifications and prohibited characteristics of independent directors and audit committee according to securities and stock exchange laws, including announcements, regulations and/or related regulations of the Stock Exchange of Thailand or proposed to the shareholders' meeting for consideration and appointment as independent directors and audit committee of the Company.
5. Consider determining and amending the name of the director who has the power to bind the company.
6. Appoint any other person to operate the Company's business under the control of the Board of Directors or may authorize such person to have the power and/or within the time as the Board deems appropriate, which the Board may cancel, revoke, change or amend such authority. can
7. Consider and approve the acquisition or disposition of assets of the Company. Except in the case where such transaction must be approved by the shareholders' meeting, such approval shall be in accordance with the relevant notifications, regulations and/or regulations of the Stock Exchange of Thailand.
8. Consider and approve the connected transaction except in the case where such transaction must be approved by the shareholders' meeting In considering such approval, it shall be in accordance with the announcements, regulations and/or regulations related to the Stock Exchange of Thailand.
9. Consider and approve the interim dividend payment to shareholders. Seeing that the company was lucrative enough to do so and report such dividend payment to the shareholders' meeting for acknowledgment in the next shareholders' meeting.
10. Set a Vision Policy and direction of the company's operations Annual budget business strategy and supervise the management to operate in accordance with the set policies with efficiency and effectiveness in order to maximize economic value for shareholders and sustainable growth.
11. Evaluate the performance and determine the remuneration of directors and senior management.
12. Responsible for the performance and performance of the management's duties with intention and caution in operation.
13. Supervise the management to have an appropriate and efficient risk management system.
14. Supervise the establishment of clear and measurable business goals to be used as a guideline for setting goals in performance by considering the possibility and reasonableness.
15. Responsible to shareholders on a regular basis, operates to protect the interests of shareholders, discloses material information to investors accurately, completely, with standards and with transparency.

16. Evaluate the performance and determine the remuneration of the top management.
17. Supervise the management to have an appropriate and efficient risk management system.
18. Consider making decisions on matters of importance such as Policies and business plans, large investment projects, administrative powers, acquisition or disposition of assets and any other items required by law.
19. Determine the authority and level of approval in the transaction and various operations related to the work of the company to the group or person as appropriate and in accordance with the relevant laws by preparing a manual on the authority and to be reviewed at least once a year.
20. Set up a reliable accounting, financial reporting and auditing system, as well as supervise the establishment of a process for assessing the suitability of internal control.
21. To approve the nomination of the auditor and consider the annual audit fee to present to the shareholders for consideration and approval of the appointment.
22. Report of the Board of Directors' responsibilities in preparing financial reports by showing along with the auditor's report in the annual report and covering important matters in accordance with the policy of good practice for directors of listed companies of the Stock Exchange of Thailand.
23. Supervise the performance of various sub-committees in accordance with the prescribed charter.
24. The Board shall self-assess its performance and assess its overall performance.
25. Consider for the development of corporate governance in the following matters:
 - 25.1 Determining the number of listed companies in which each committee holds office no more than 5, without exception.
 - 25.2 Determine the CEO / Managing Director's policy for taking a director position at other companies.
 - 25.3 Determine the policy on the minimum number of quorums at the time the directors will vote at the board meeting that there must be no less than two-thirds of the total number of directors.
 - 25.4 Arrange a meeting among non-executive directors without the management attending the meeting in the past year by specifying the number of times or the date of the meeting.
 - 25.5 Arrange for an assessment of the Board's performance by both the faculty and the individual including disclosing the rules and the evaluation process.
 - 25.6 Arrange an annual performance evaluation of the top management (CEO) of the organization and disclose it to them.
 - 25.7 Consider the disclosure of the CEO compensation policy, both short-term and long-term including compensation based on the performance of the CEO.
 - 25.8 Consider the appointment of CG Committee (Director Level).

Meeting of the Board of Directors

1. The Board of Directors must hold a meeting to acknowledge the Company's operating results at least once every 3 months and exercise discretion independently. Directors should attend every meeting and unless there is a force majeure, an absence must be informed to the secretary of the board in advance. The company has to report the number of board meetings attendance in the annual report. In each board meeting, the secretary of the committee must send a meeting invitation letter to all directors so that every committee member knows the date, time, place and

agenda. This is delivered at least 7 days in advance. The secretary of the board also collects meeting documents from the directors and management in order to deliver to the board in advance. Such documents shall provide sufficient information for decision making and exercise of independent judgment of the Board. The secretary of the committee must record the issues at the meeting in order to prepare the minutes of the meeting, which must contain all the contents and completed within 15 days from the completion of the meeting to propose to the chairman of the board of directors to sign. There must be an effective storing system that is both convenient and confidential for users.

2. Directors who have interest in the matter have no right to vote on that matter.

3. Voting at the Board of Directors meeting has criteria in taking the opinion of the majority into account. In the event that the votes are equal, the chairman of the meeting shall have one more vote as a casting vote. However, the opinion of the other directors who do not vote for approval shall be stated in the minutes of the meeting.

In 2021, the company has set a schedule for the 2022 board meeting in advance. (The content of this meeting schedule is subject to change) excluding the meeting in the following special agenda.

No.	Board of Directors Meetings	Audit Committee Meeting	Annual General Meeting of Shareholders 2022
1.	Thursday, February 24, 2022	Thursday, February 24, 2022	Tuesday, April 26, 2022
2.	Friday, May 13, 2022	Friday, May 13, 2022	
3.	Tuesday, August 9, 2022	Tuesday, August 9, 2022	
4.	Thursday, November 10, 2022	Thursday, November 10, 2022	

Training Courses for the Company's Directors in 2021

No.	Name - Surname	Position	Name of courses taken in 2021
1.	Mr. Wasun Itthirojanakul	Managing Director and Director	<ul style="list-style-type: none"> - Academic talks (End of the year 2021) Trends and directions of the Thai economy in 2022: How should Thai entrepreneurs prepare? - Training course The New Road to Capital Market "Opportunities for SMEs and Startups" on the capital market path
2.	Mrs. Podjamarn Wongsuwan	Deputy Managing Director in Accounting and Finance	<ul style="list-style-type: none"> - Training course "THSI One-on-One 2021" on sustainability and preparing companies for the 2021 THSI assessment - TLCA CFO Professional Development Program (TLCA CFO CPD) No. 2/2021, titled "COVID 19 Implications for Financial Reporting and Audit" - Participated in TLCA CFO Professional Development Program (TLCA CFO CPD) activity No. 3/2021 - TLCA CFO CPD Course No. 4/2021 "How finance leaders are adapting within the new normal" - Online discussion, vision, challenges and the next step of female judges

No.	Name - Surname	Position	Name of courses taken in 2021
			<ul style="list-style-type: none"> - CFO Refresher Course, Class 2/21, "Preparing for Economic Factors Finance and Accounting Issues affecting listed companies."
3.	Miss Sirirat Itthirojanakul	Assistant Managing Director in Marketing	<ul style="list-style-type: none"> - Training course "Intensive Tutoring, Full 100" AGM Checklist 2021 - THSI Exclusive Coaching 2021 - Beginner course (for those who have never participated in the SET sustainability assessment) - SD Professional Sharing course 1/2021: Secret (not) secret to conquering sustainable stocks THIS - Discussion activity "Prepare for Prompt One Report" - Trained the UN PRI Academy's Getting Started in Responsible Investment course and received a certificate through the course. - Training course on the topic "Low carbon for sustainable development" - ESG Showcase training course: "ESG disclosure in one report" by Total Access Communication Pcl. - Training course on "Business and Human Rights and Guidelines for Filling Out Human Rights Data in 56-1 One Report" - Training course on techniques for preparing the invitation letter for the Annual General Meeting of Shareholders (AGM) - Seminar on the topic of CGR 2023 Survey Criteria - Webinar titled "Check readiness to be confident before PDPA comes into force" - Training on how to use the function of creating annual registration statement / annual report (Form 56-1 One Report) on SETLink system
4.	Miss Narerat Itthirojanakul	Assistant Managing Director in Corporate Support	<ul style="list-style-type: none"> - Training course "THSI One-on-One 2021" on sustainability and preparing companies for the 2021 THSI assessment - Online discussion, vision, challenges and the next step of female judges - Training on how to use the function of creating annual registration statement / annual report (Form 56-1 One Report) on SETLink system -

Directors authorized to sign to bind the Company

The authorized directors to sign on behalf of the company are Mr. Wasun Itthirojanakul, Mrs. Podjamarn Wongsuwan, Miss Sirirat Itthirojanakul, two of these three directors jointly sign with the company's seal

The authorized director to sign on behalf of the subsidiary is either Mr. Mr. Wasun Itthirojanakul or Miss Sirirat Itthirojanakul, to co-sign with Mr. Christopher Robert Tape to be 2 persons.

In addition, various activities are organized to disseminate and point out information including the opportunity for participants to inquire information transparently, with the top executives participating in the activity and clarifying about the Investor Relations event as follows:

1. Participation in activities "Opportunity Day", organized by the Stock Exchange of Thailand 4 times, attended by analysts and investors.

- Monday, March 1, 2021
- Wednesday, May 12, 2021
- Wednesday, August 11, 2021
- Thursday, November 11, 2021

2. 19 news interviews with the mass media

7.3 Information about sub-committees

Board of Directors has also appointed sub-committees to assist in the corporate governance of the Company as follows:

1. Audit Committee

Audit committee consists of at least 3 independent directors, of which at least one member of the Audit Committee must have sufficient knowledge and experience in accounting or finance to be able to perform the duties of reviewing the reliability of the financial statements in order to assist in supporting the Board of Directors in supervising and reviewing the administration, internal control, accuracy of financial reports and compliance with relevant laws including helping to support the formulation of risk management policies. In addition, the Audit Committee is responsible for reviewing the sufficiency and efficiency of the Company's management including reviewing financial reports in order to make the operations and the disclosure of information of the company transparent and reliable.

The list of the Audit Committee as of 31 December 2021 is as follows:

Name - Surname	Position
1. Miss Jirayong Anuman-rajadhon	Chairman of Audit Committee / Independent Director
2. Mrs. Pennapha Dhanasarnsilp	Audit Committee Director / Independent Director
3. Police general. Sakda TechaKriengkrai	Audit Committee Director / Independent Director

Miss Sirirat Itthirojanakul is the secretary of the Audit Committee which was appointed from the 2015 Annual General Meeting of Shareholders on March 26, 2015 and from the Board of Directors Meeting No. 1/2015 (the first time after conversion) on 29 April 2015.

Remark : - Audit Committee Director that has knowledge and experience in reviewing the reliability of financial statements is Miss. Jirayong Anunrachathon, who graduated with Bachelor of Business Administration (Finance),

Faculty of Commerce and Accountancy Thammasat University and Master's Degree (Finance), Faculty of Commerce and Accountancy Thammasat University as well as Postgraduate Diploma Business Administration (Fashion) London College of Fashion, University of the Arts London. Details are as follows

2019 - present	Director - AUA Language Center
2019 - present	Director - CPanel Public Company Limited
2016 - present	Director and Managing Director - Brand and Business Ventures Company Limited
2015 - present	Independent Director / Chairman of the Audit Committee / Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee - Pioneer Motor Public Company Limited
2015 - 2021	Director and Chairman of the Audit Committee - Primo Service Solutions Company Limited
2006 - present	Director and Managing Director - Jay Capital Advisory Company Limited (Formerly known as JD Partner Company Limited)

Scope of Duties and Responsibilities of the Audit Committee

1. Review the financial reports to ensure that it is accurate and reliable including adequate disclosure of information by coordinating with the external auditors and executives who are responsible for preparing financial reports, both quarterly and annually.
2. Review for the Company's system of Internal control and Internal audit to be appropriate and effective and to consider the independence of the internal audit department as well as to give approval to consider the appointment, transfer and termination of the head of the internal audit unit or any other unit responsible for internal auditing. They may suggest a review or audit of any items that they deem necessary and important. In addition, recommendations on improvements and revisions of the internal control system are important and necessary to the Board of Directors by reviewing together with external auditors and internal system audit department manager.
3. Review the compliance with the law on securities and stock exchange or the requirements of the SET, policies, rules, regulations and other laws related to the Company's business.
4. Consider, select, nominate, appoint and terminate an independent person to act as an auditor and consider proposing the remuneration of the Company's auditors to the Board of Directors as well as to attend a meeting with the auditor without the management of the meeting at least once a year.
5. Review the internal audit plan of the company according to generally accepted methods and standards.
6. Consider the connected transaction or items that may have conflicts of interest to be in accordance with the law and the requirements of the Stock Exchange of Thailand as well as the disclosure of the Company's information to be accurate and completed. This is to ensure that such transactions are reasonable and is most beneficial to the company.
7. Review for the Company whether there is an appropriate and efficient risk management system.
8. Report on the performance of the Audit Committee to the Board of Directors Know at least 4 times a year.
9. Prepare a report of the Audit Committee and disclose it in the annual report of the Company. The said report must be signed by the Chairman of the Audit Committee and must contain at least the following information:

- (A) Opinions on the accuracy, completeness and creditability of the Company's financial reports.
 - (B) Opinion on the adequacy of the Company's internal control system.
 - (C) Opinion on the compliance with the law on securities and exchange Stock Exchange's Requirements or laws relating to the Company's business.
 - (D) Opinion on the suitability of the auditor.
 - (E) Opinion on the connected transaction Or items that may have conflicts of interest.
 - (F) The number of the audit committee meetings and the attendance of such meetings by each member of the audit committee.
 - (G) Comments or overall remarks received by the Audit Committee in the performance of their duties under the Charter.
 - (H) Other items that the shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors.
10. Participate in the review of the appointment, dismissal, and evaluation of the staff of the internal audit department.
 11. In the performance of duties according to the scope of duties, the Audit Committee has the power to invite the management or employees of the company that are relevant to comment. Attend meetings or send documents that are relevant or necessary.
 12. Have the power to hire consultants or third parties according to the Company's regulations to give opinions or give advice if necessary.
 13. The audit committee must assess its performance by self-assessment and report the results of the assessment, as well as problems and obstacles in the work that may cause the operation to fail to achieve the objectives of setting up the Audit Committee to the Board of Directors every year.
 14. Review and revise the charter of the Audit Committee.
 15. Perform other tasks as assigned by the Board of Directors and assigned within the scope of duties and responsibilities of the Audit Committee.

Term of the Audit Committee

1. The Audit Committee shall be in the position for a term of 3 years, with 1 year here referring to the period between the date of the Annual General Meeting of Shareholders of the year appointed until the date of the Annual General Meeting of Shareholders in the following year and the Audit Committee who retired by rotation may be nominated and reappointed.
2. In addition to the termination of office as mentioned above, the Audit Committee members vacate their office when
 - (A) death
 - (B) resign
 - (C) lack of qualifications as an audit committee member under this charter or according to the regulations of the Stock Exchange of Thailand
 - (D) Termination of the term of office of the Director of the Company

3. Any member of the audit committee who will resign from office shall submit a resignation letter to the chairman of the board of directors. They should notify in writing at least 1 month in advance, including reasons and the Board the Company will notify the Stock Exchange of the resignation with a copy of the resignation letter to the Stock Exchange of Thailand in the event that the Audit Committee vacates the position as a whole committee. The Audit Committee who vacates office shall be in charge of the position for further action until the new Audit Committee takes over.
4. In the event that the position of the audit committee member is vacant due to reasons other than the expiration of the term, the Board of Directors must appoint a qualified person to be a replacement committee member within 90 days so that the number of audit committee members has reached the number specified by the board of directors, whereby the person who can act as replacement committee can be in the position for the remaining term of the director that he or she replace.

Audit Committee Meeting

1. To hold an audit committee meeting to consider financial statements to report the results of internal audit and other matters at least 4 times a year by calling for a meeting at least 3 days prior to the meeting of the board of directors or for the chairman of the audit committee to call for a special meeting to consider other urgent matters as deemed appropriate.
2. If the audit committee member has an interest in a particular matter, he or she has no right to vote on that matter.
3. Voting at the Audit Committee shall take the opinion of the majority vote and in case of equal votes, the chairman of the meeting shall have one more vote as a deciding vote. Other people who do not approve of the examination shall be presented as a contradiction to the Board of Directors.
4. The Chairman of the Audit Committee shall report the results of the meeting to the Board of Directors' meeting in next meeting.
5. The secretary of the audit committee or the person who has been assigned shall record the minutes of the meeting.

Report of the Audit Committee

1. The Audit Committee shall report its performance to the Board of Directors in the meeting of the Board of Directors
2. In the performing of duties of the Audit Committee, if found or in doubt as to the following transactions or actions which may have a material impact on the financial position and results of operations of the Company, the Audit Committee shall report to the Board of Directors of the Company in order to make adjustments within the period that the Audit Committee deems appropriate.
 - (A) List of Conflicts of Interest
 - (B) Fraud or anomalies or there is a significant defect in the internal control system
 - (C) Violation of the law or any requirements of the Stock Exchange of Thailand and other relevant laws
3. If the Audit Committee reports to the Board of Directors on things that have a material effect on the financial position and results of operations and had discussions with the Board of Directors and the management, there

must be improvement when the time limit is expired. If the Audit Committee finds that there is no reasonable ground to ignore such remedial action, any audit committee member may report such findings directly to the Securities and Exchange Commission and the Stock Exchange of Thailand.

Reporting to the stock exchange of Thailand

1. Appointment of the Audit Committee
 - (A) Report on the resolutions of the Board of Directors meeting regarding the appointment of the Audit Committee and submit the form to report the names and scope of the audit committee according to the regulations of the Stock Exchange.
 - (B) Submit the certificate and biography of the Audit Committee and report the resolution of the appointment of the Audit Committee to the Stock Exchange of Thailand within 3 days from the date that the Board of Directors Resolved to appoint the Audit Committee.
2. Change of members of the Audit Committee
 - (A) Report on the resolutions of the Board of Directors meeting to change the members of the audit committee according to the requirements of the Stock Exchange of Thailand.
 - (B) Submit the certificate and biography of the newly appointed members of the audit committee together with the report on the appointment of the Audit Committee.
3. Report on resolutions of the Board of Directors meeting on the change in duties and scope of work of the audit committee to the Stock Exchange of Thailand according to the regulations within 3 days from the date of the resolution of the Board of Directors about the change.

2. Nomination and Remuneration Committee

This committee consists of at least 3 members whereby the member of the Nomination and Remuneration Committee and the Chairman of the Nomination and Remuneration Committee must be independent directors in order to perform the duty of recruiting qualified persons to serve as directors of the Company, Audit Committee and Managing Director. The committee must establish a policy and criteria for determining compensation and other benefits (whether in the form of cash, securities or any other) of the Board of Directors, Audit Committee and Managing Director including adjusting the salary of the Managing Director to propose opinions to the Board of Directors to present to the Board of Directors meeting and / or the shareholders' meeting for further consideration and approval (Depending on the case).

List of the Nomination and Remuneration Committee as of 31 December 2021 is as follows:

Name - Surname	Position
1. Mrs. Pennapha Dhanasarnsilp	Chairman of Nomination and Remuneration Committee
2. Miss Jirayong Anuman-rajadhon	Nomination and Remuneration Committee
3. Mr. Wasun Itthirojanakul	Nomination and Remuneration Committee

Scope of work and responsibilities of the Nomination and Remuneration Committee

Recruitment

1. Determine the method of recruiting suitable persons to hold director positions in accordance with the nature and business operations of the organization by defining features and the knowledge and expertise in each area that is required.
2. Nominate Directors when the agenda is required to the Board of Directors for consideration, the nomination may consider from existing directors to continue their positions or open to receive nominations from shareholders or using the company external recruiting aid or considering people from the Office of the Occupational Committee or allowing each director to nominate a suitable person, etc.
3. Review the names of the nominated persons and select those who meet the established eligibility criteria.
4. Verify that the person to be nominated meets the applicable law and agency requirements.
5. Approach the person who is qualified to meet the specified eligibility criteria to ensure that such person is willing to take up the position of director of the company, if appointed by shareholders.
6. Propose names to the directors for consideration and include their names in the notice of shareholders' meeting for the shareholders' meeting to consider and appoint.
7. Consider recruiting high-level executives as assigned by the Board of Directors.

Term of Office of the Nomination and Remuneration Committee

Nomination and Remuneration Committee members hold office for a term of no more than 3 years, where 1 year refers to the period between the date of the Annual General Meeting of Shareholders of the year appointed until the date of the Annual General Meeting of Shareholders in the following year and members of the Nomination and Remuneration Committee who retire by rotation may be nominated and reappointed.

Meetings of the Nomination and Remuneration Committee

Nomination and Remuneration Committee Set the number of meetings as appropriate in order to perform duties as assigned but no less than one meeting a year.

Reporting the performance of the Nomination and Remuneration Committee

The Nomination and Consideration Committee is obliged to report the performance of duties to the Board of Directors on a regular basis, and may report important matters and meeting resolutions to the Board of Directors every time there is a Nomination and Remuneration Committee meeting and to report the performance of duties in the past year in the annual report of the company in the shareholders' meetings as well.

In addition, the Audit Committee has appointed a Risk Management Committee (RMC) to support the formulation of risk management policies for the entire organization and supervise the company to have risk management system or process in order to reduce the impact on the Company's business appropriately. The committee establishes rules and practices in various areas, as well as supervise the organization to operate and comply with the good corporate governance policy and present the risk management report and recommendations to the Audit Committee.

3. Risk Management Committee

List of Risk Management Committee as of 31 December 2021, there are 3 members as follows:

Name - Surname	Position
1. Miss Jirayong Anuman-rajadhon	Chairman of the Risk Management Committee
2. Mr. Wasun Itthirojanakul	Risk Management Committee
3. Mr. Christopher Robert Tape	Risk Management Committee

Remark The meeting passed a resolution approving the appointment of a Risk Management Committee for the efficiency of risk management of the management system and to support the company. There is an operation that creates tangible value for the organization.

Scope of Duties and Responsibilities of the Risk Management Committee

1. Set risk management policies and structures to propose to the Executive Committee in accordance with Guidelines for risk management of the Stock Exchange of Thailand and the Association of Internal Auditors of Thailand.
2. Strategize in accordance with the risk management policy to be able to assess the monitoring and controlling each type of risk to an acceptable level by allowing various departments to participate in risk management and control.
3. Assess risks at the organizational level and determine the risk management method to be at an acceptable level as well as supervise the risk management according to the specified method.
4. Review the risk management policy and improve it for efficiency and effectiveness adequately to control the risk.
5. Is authorize to summon relevant persons to clarify or appoint and assign roles that allow operators of all levels to have risk management duties as appropriate and to report to the Risk Management Committee in order to achieve the risk management objectives.
6. Report results of risk management to the Executive Committee and the Audit Committee to present to the faculty Company Directors on a quarterly basis.
7. Create a risk management manual.
8. Identify various risks along with analysis and assess the risks that may arise including trends which have an impact on the Company.
9. Make a plan to prevent or reduce the risk.
10. Evaluate and prepare a risk management report and establish an integrated risk management system by linking the information system. Perform other tasks as the Board of Directors deems appropriate.

In addition, the company has appointed a company secretary in order to perform duties in relation to the Board of Directors' meetings and shareholders' meeting including supporting the work of the Board of Directors by providing advice on legal and regulatory requirements related to the performance of the duties of the committee as well as to coordinate the implementation of the resolutions of the Board of Directors. The Board of Directors Meeting No.

1/2015 (after conversion) on April 29, 2015 resolved to appoint Ms. Sirirat Itthirojanakul to be the Company Secretary. The assigned roles, duties and responsibilities for the company secretary are as follows.

1. Prepare and maintain the following documents.
 - (A) Director registration
 - (B) Notice of the Board of Directors' meeting Board meeting minutes And the annual report of the company
 - (C) Invitation letter to the shareholders' meeting and minutes of the shareholders' meeting
2. Keeping reports of interest as reported by the director or management
3. Submit a copy of the report of interest under Section 99/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date the company receives the report and the company must provide a document retention system or evidence relating to the data display and ensure that there is a good storage and can be examined within a period of not less than 10 years from the date such document or information is prepared.
4. Perform other tasks as specified in the notification of the Capital Market Supervisory Board.
5. The company secretary must perform duties responsibly, with caution and be honest as well as must comply with the law, objectives, regulations of the company Board resolution as well as the shareholders' resolution by
 - 5.1 Decisions must be made on the basis of information believed in good faith to be adequate.
 - 5.2 The decision was made without any interest either directly or indirectly in the matter that has been decided
 - 5.3 Act in good faith for the best interests of the company is essential.
 - 5.4 Acting with a purpose in a legitimate and appropriate way and does not act in a materially inconsistent or inconsistent with the Company's interests
 - 5.5 Do not exploit the use of the company information that has been obtained unless it is information that has been disclosed to the public or use the Company's assets or business opportunities in a manner that violates the rules or general practice as specified in the notification of the Capital Market Supervisory Board.
 - 5.6 Not entering into any agreements or contracts which may create a conflict of interest with the Company or its employees or customers or is contrary to the performance of their duties.

However, in the event that the Company Secretary vacates office, he or she may not perform his duties. The Board of Directors shall appoint a new company secretary within 90 days from the date the former company secretary vacates office or unable to perform duties;

4. Executive Committee

This committee consists of no less than 5 members. Executive Directors are not required to be directors or executives management or employees of the company to support the Board of Directors in managing of the Company's affairs to comply with the policies, work plans, regulations and orders, including the goals set under the framework assigned by the Board of Directors.

List of the Executive Committee as of 31 December 2021 is as follows:

Name - Surname	Position
1. Mr. Wasun Itthirojanakul	Chief Executive Officer
2. Mr. Christopher Robert Tape	Executive Director
3. Mrs. Podjamarn Wongsuwan	Executive Director
4. Miss Sirirat Itthirojanakul	Executive Director
5. Miss Narerat Itthirojanakul	Executive Director
6. Mr.Papat Itthirojanakul	Executive Director

Scope of Duties and Responsibilities of the Executive Committee

1. To control the management of the company to comply with the policy set by the Board of Directors and report the performance to the Board of Directors. In conducting a meeting of the Executive Committee, there must be at least one half of the Board of Directors attending the meeting. The resolution of the Executive Committee must receive a majority vote from the meeting and the said votes counted at least half of the total Board of Directors' votes.
2. Consider and determine the authority and level of approval of the individual to be appropriate and provide a separation of duties that may lead to corruption including the procedure and how to operate with appropriate major shareholders, directors, executives or related persons to prevent the transfer of benefits and present to the Board of Directors for approval in principle and ensuring that the approved principles and requirements are followed.
3. Consider the annual budget and steps for budget expenditures to propose to the Board of Directors and supervise expenditures in accordance with the budget approved by the Board of Directors.
4. Consider improving the business plan of the company to be appropriate for the benefit of the company.
5. Consider and approve the investment and set investment budgets according to the authority in the authority manual.
6. Consider making contracts that are binding on the company according to the authority in the authority manual
7. Responsible for having sufficient important information about the company to support decision-making of the Board of Directors, shareholders, including preparing reliable financial reports. It is in accordance with good and transparent standards.
8. Consider the profit and loss of the company and propose annual dividends to the Board of Directors
9. Consider running a new business or the termination of business to propose to the Board of Directors
10. Supervise a procedure for workers to report incidents or unusual actions or an offense to the Executive Committee in a timely manner and in the event that such events have a material effect, it must be reported to the Board of Directors for consideration within a reasonable time.
11. Take any action to support the aforementioned or according to the opinion of the Board of Directors or as authorized by the Board of Directors.

12. Proceeding to propose to the Executive Committee Meeting on any matter which has been approved and / or approved by the Executive Committee meeting. It must be reported to the Board of Directors in the next Board Meeting.

In this regard, the delegation of powers, duties and responsibilities of the Executive Committee as mentioned above will not include any authority and / or delegation on any item that he / she or sub-authorized person or people who may have a conflict (as defined in the Notification of the Capital Market Supervisory Board) having an interest or any other type of interest that conflicts with the Company. Approval of the aforementioned transactions must be submitted to the Board of Directors 'meeting and / or the shareholders' meeting. (As the case may be) to approve the said transaction according to the regulations of the company or the relevant laws.

7.4 Information about the management

7.4.1 Name list and management team (Management Team)

List of executives as of December 31, 2021 consisted of 8 persons as follows:

Name – Surname	Position
1. Mr. Wasun Itthirojanakul	Managing Director
2. Mr. Christopher Robert Tape	Deputy managing director
3. Mrs. Nutcharat Itthirojanakul	Deputy Managing Director in Logistics
4. Mrs. Podjamarn Wongsuwan	Deputy Managing Director in Accounting and Finance
5. Miss Sirirat Itthirojanakul	Assistant Managing Director in Marketing
6. Miss Narerat Itthirojanakul	Assistant Managing Director in Corporate Support
7. Mr.Papat Itthirojanakul	Production Manager
8. Mrs. Panun Pongpanich	Accounting and Finance

Remark: Details of the management team as per attached.

Scope of Duties and Responsibilities of the Managing Director

1. Operate the business, conduct strategic plan for operations and manage the daily work of the company
2. Make decisions on important matters of the company, set missions, objectives, guidelines, company policies including control over the administration of various departments
3. Have the authority to supervise, contact, order, as well as sign in any juristic acts, contracts, documents, orders, notices as defined in the authority manual.
4. Have the authority to hire, appoint, transfer any person as he sees fit as well as setting the scope of duties and appropriate remunerations and to have the power to release employees as appropriate as per defined in the authority manual.
5. Has the authority to set commercial terms for the benefit of the company.
6. Consider investing in a new business or the termination of business to present to the Executive Committee and / or the Directors.
7. Approve and appoint consultants in various fields that are necessary to operate business.
8. Perform any action as delegated by the Executive Committee and / or the Board of Directors.

In this regard, the delegation of powers, duties and responsibilities of the Managing Director mentioned above, the Managing Director must comply with various requirements and agendas as approved by the Board of Directors and will not include the authority and / or delegation of any item that he or she or sub-authorized person or people who may have conflict (As defined in the Notification of the Capital Market Supervisory Board) having an interest or any other type of interest that conflicts with the Company. Approval of the aforementioned transactions must be submitted to the Board of Directors 'meeting and / or the shareholders' meeting. (as the case may be) to consider and approve the said transaction in accordance with the regulations of the company or the relevant laws.

Company Secretary

The company secretary must perform duties responsibly with caution and honesty according to the Securities and Exchange Act (No. 4) BE 2551. The Board of Directors Meeting No. 1/2015 (after conversion) on April 29, 2015 has resolved to appoint Miss Sirirat Itthirojanakul to be the company secretary. The assigned roles, duties and responsibilities for the company secretary are as follows.

1. Prepare and maintain the following documents.
 - (A) Director registration
 - (B) Notice of the Board of Directors' meeting Board meeting minutes And the annual report of the company
 - (C) Invitation letter to the shareholders' meeting and minutes of the shareholders' meeting
2. Keeping reports of interest as provided by the director or management
3. Submit a copy of the report of interest under Section 99/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date that the company receives the report. The company must provide a document retention system or evidence relating to the data display and ensure that there is a complete storage which can be examined within a period of no less than 10 years from the date such document or information is prepared.
4. Perform other tasks as specified in the notification of the Capital Market Supervisory Board.
5. The company secretary must perform duties responsibly with caution and honesty and must comply with the law, objectives, regulations of the company, Board resolution as well as the shareholders' resolution by doing the followings:
 - 5.1 Decisions must be made on the basis of information believed in good faith to be adequate
 - 5.2 The decision was made without any self interest either directly or indirectly in the matter that has been decided.
 - 5.3 Act in good faith and have the best interests of the company in mind.
 - 5.4 Act with a purpose in a legitimate and appropriate way and does not act in a materially inconsistent with the Company's interests
 - 5.5 Do not exploit the use of the company information that has been obtained unless it is information that has been disclosed to the public or use the Company's assets or business opportunities in a manner that violates the rules or general practice as specified in the notification of the Capital Market Supervisory Board.
 - 5.6 Not entering into any agreements or contracts which may create a conflict of interest with the Company or its employees or customers or is contrary to the performance of their duties.

In the event that the Company Secretary vacates office or may not perform his duties, the Board of Directors shall appoint a new company secretary within 90 days from the date the former company secretary vacates office or unable to perform duties.

7.4.2 Remuneration Policy for Executive Directors and Executives

Directors' remunerations are meeting allowances. In this regard, directors' remunerations are in a manner comparable to those performed in the industry as well as considering the guidelines for determining the Managing Director's remuneration in accordance with the objectives and main goals of the Company. And in accordance with the interests of the company in the long run, the executives will receive annual salary and bonuses. by considering the Company's operating results as important

Annual remuneration of the Board of Directors and Executives The total amount must not be unusually high compared to the average remuneration of the Company's directors and executives listed on the Stock Exchange of Thailand The best interests of the shareholders are mainly taken into account.

In this regard, the Company has set up the Nomination and Remuneration Committee to consider the format and criteria for payment of directors' remuneration to be presented to the shareholders' meeting for approval.

7.4.3 Total remuneration of executive directors and executives

Monetary compensation

A. Compensation for Company Directors

B. The 2021 Annual General Meeting of Shareholders on April 27, 2021 resolved to approve the determination of remuneration for the Company's directors in the form of meeting allowances per time with details as follows

Unit: Baht		
Position	Meeting allowance per time 2020	Meeting allowance per time 2021
Chairman of the Board	15,000	15,000
Chairman of Audit Committee	12,000	12,000
Chairman of the Nomination and Remuneration Committee	12,000	12,000
Chairman of the Risk Management Committee	12,000	12,000
Board of Directors	10,000	10,000
Audit Committee Director	10,000	10,000
Nomination and Remuneration Committee	10,000	10,000
Compensation and benefits other than meeting allowances	None	None

Remark : Directors who take part in the management of the Company's business operations will not be entitled to receive directors' remuneration. The said compensation has been effective since 2015 and the amount of such compensation is equal to the remuneration limit of the previous 2020.

In this regard, the directors' remuneration is fixed in the total amount not exceeding 2,000,000 baht per year. As of 31 December 2021, the remuneration for each director. In the form of meeting allowances are as follows:

Unit : Baht

List of directors	2019					2020					2021				
	Meeting allowances for the Board of Directors	Meeting allowances for the Audit Committee	Meeting allowance for the Nominated and Compensation Committee	Meeting allowances for the Risk Committee	Total	Meeting allowances for the Board of Directors	Meeting allowances for the Audit Committee	Meeting allowance for the Nominated and Compensation Committee	Meeting allowances for the Risk Committee	Total	Meeting allowances for the Board of Directors	Meeting allowances for the Audit Committee	Meeting allowance for the Nominated and Compensation Committee	Meeting allowances for the Risk Committee	Total
1. Mr. Satian Pooprasert	75,000	-	-	-	75,000	90,000	-	-	-	90,000	90,000	-	-	-	90,000
2. Miss Jirayong Anuman-rajadhon	52,000	49,000	-	12,000	112,000	64,000	49,000	-	12,000	124,000	64,000	48,000	10,000	-	122,000
3. Mrs. Pennapha Dhanasarnsilp	50,000	40,000	-	-	90,000	50,000	40,000	-	-	90,000	60,000	40,000	12,000	-	112,000
4. Police general. Sakda TechaKriengkrai	50,000	40,000	-	-	90,000	40,000	30,000	-	-	70,000	60,000	40,000	-	-	100,000
5. Mr. Wasun Itthirojanakul	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Mr. Christopher Robert Tape	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7. Mrs.Podjamarn Wongsuwan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8. Miss Sirirat Itthirojanakul	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	227,000	129,000	-	12,000	367,000	244,000	119,000	-	12,000	374,000	274,000	128,000	22,000	-	424,000

Source: The Company (as of 31 December 2021)

Remark: Mr. Wirat Chanpanit does not wish to resume his position as a director of the Company and vacate his position as a director of the Company and there is no replacement, effective from 24 April 2019 onwards

Compensation for the management

	2019		2020		2021	
	No. (persons)	Amount (Baht)	No. (persons)	Amount (Baht)	No. (persons)	Amount (Baht)
Compensation for the management						
Salaries and bonus	8	23,107,980	8	23,806,927	7	24,694,887
Provident fund contributions	7	329,066	7	339,265	7	358,467
Others	4	367,000	4	375,000	4	424,000
Total		23,804,046		24,521,192		25,477,354

Source: The Company (as of 31 December 2021)

Remark: The Company has established a provident fund on July 31, 2014 which is managed by Kasikorn Asset Management Company Limited

/1 other management remunerations include meeting allowances.

Compensation for personnel

Total compensation for full time employee, contract employees and other benefits

Unit : Million baht	2019	2020	2021
Compensation of full-time employees in the form of salaries and wages	94.58	99.22	104.31
Provident Fund, Bonus and other benefits ^{/1}	40.29	47.75	50.66
Total	134.87	146.97	154.97

Remark : ^{/1} Other benefits includes overtime (OT), shift, condition payment, special payment, position payment, allowance for delivery department, social security fee, Compensation Fund for Employees after leaving the company

Other compensation

- None -

7.5 Employees

Number of employees

As of 31 December 2021 the Company has total number of 511 employees with details as follows.

Number of employees	2019	2020	2021
1. Marketing			
Freight Department (Sales - Stock - Delivery)	29	23	27
2. Corporate Support Division			
Department of Information Technology	1	2	2
Engineering department	19	20	19
Research, development & production engineering department	6	8	7

Number of employees	2019	2020	2021
Purchasing and logistics department	4	4	4
Human Resources Department (Hr-Operator, Maid)	9	9	8
Maintenance Department - Tool Room	9	11	10
3. Corporate Support Division			
Manage	8	7	7
Accounting and Finance Department	9	9	9
4. Production Line			
Production Department (PD-PL-ST)	335	379	393
Quality inspection department	23	24	25
Total	451	496	511

Source: The Company (as of 31 December 2021)

Employee compensation policy that is consistent with the performance of the company.

The company has set a compensation policy for employees by evaluating the results of the work annually. This policy will apply to all employees and it is a policy that is in line with the strategic direction of the organization, thus ensuring that the Company can develop potential and retain employees who have good performance in order to create sustainable results and enable the company to grow continuously.

In addition to paying remuneration, the Company offers various welfare matters for employees appropriately by conducting regular reviews of welfare to be in line with the changing economic and social conditions, such as regular health checks, annual business travel expenses, the cost of school supplies for the children of full-time employees, provident fund to provide stability and financial security for employees after their employment or retirement, etc.

During the evaluation of the performance of each employee, the supervisor evaluates the employee's performance for the past year and sets new goals. Employee salary adjustments decisions are based on the results of this assessment.

Compensation consists of:

1. Salary
2. Annual bonus (Based on the company's performance evaluation)
3. Welfare (Based on the employment contract of each employee)
4. Compensation in the event of termination of employment (To be paid under the Labor Protection Act)

Employee development policy

The company has a policy to enhance knowledge and develop the working potential of employees by organizing in-house training as well as providing opportunities to take course outside the company. Furthermore, to encourage our employees and build morale of the work, the company has a policy to provide welfare to employees. The welfare will continue to be improved as appropriate.

Internal and external training information in 2021

No.	Training date	Location	Course Name	Participants level - number of participants (persons)						Total no. of participants (persons)
				Staff level		Management level		Higher level		
				Male	Female	Male	Female	Male	Female	
1.	15/9/2021	Pioneer Motor Plc. (Online)	Producing effective management financial reports by improving the presentation of Financial Highlights and Performance Highlights.	-	-	-	-	-	2	2
2.	13/11/2021	Training room, Pioneer Motor PCL.	Generating positive ideas to increase productivity	22	24	1	1	1	1	50
3.	20/11/2021	Training room, Pioneer Motor PCL.	Analytical thinking for effective decision making and problem solving	23	22	4	-	-	1	50
4.	27/11/2021	Training room, Pioneer Motor PCL.	Work-life balance	19	23	5	-	-	3	50
5.	7/12/2021	324/36 Room No. 307-309 3rd Floor Bangna Residence Building	piece drawing Basic 3D (SolidWorks Essential)	-	-	-	-	2	-	2
6.	16/12/2021	Mida Grande Hotel Dhavaravati Nakhon Pathom	Energy management and post-factory savings	-	-	-	-	1	-	1
Total				64	96	10	1	4	7	155

Remark: With the COVID-19 epidemic situation in 2021, the Skill Development Promotion Commission has issued a letter on providing skill training for employees and passing the skill standard test or being certified. knowledge and competence in either one or a combination of not less than 20% of the total number of employees announced on September 27, 2021

Summary of the training in 2020

Total employees	511	persons
No. of participants	150	persons
No. of training hours	900	hours
Average training hours	6	hour / person

7.6 Other Important Information

7.6.1 Accounting Supervisor

The Company's bookkeeper is Mrs. Panan Pongpanich, the position of Accounting and Finance Officer.

7.6.2 Company Secretary

The Board of Directors No. 1/2015 (after conversion) on April 29, 2015 has resolved to appoint Ms. Sirirat Itthirojanakul to be the company secretary.

7.6.3 Internal Auditor

Audit Committee has resolved to appoint Acc-Plus Consultants Company Limited ("Ac-Plus Company Limited"), which is an external organization (Outsourcing) to perform the duties of the Company's internal auditors and assigned Ms. Wanna Melungnon, the Managing Director of Acc-Plus Consultants Co., Ltd., to be primarily responsible for performing duties as the Company's internal audit supervisor.

7.6.4 Head of the Company's Compliance Department

Ms. Sirirat Itthirojanakul

7.6.5 Head of Investor Relations

Ms. Sirirat Itthirojanakul acts as Head of Investor Relations whereby shareholders and investors can contact Investor Relations Department, Pioneer Motor Public Company Limited, at the office 78,78/4,78/5 Moo 3, Don Tum-Nakhon Chaisri Road, Don Faek Sub-district, Nakhon Chaisri District. Nakhon Pathom Province 73120
E-mail: info@pionermotor.th.com Or fax: 034-265119

7.6.1 Auditor's remuneration

1. Remuneration of the auditor (Audit Fee)

The Company has paid audit fees for the financial statements for the 2019, 2020 and 2021 accounting periods to AST Master Co., Ltd.; the Company's auditor is as follows.

	Unit: Baht		
	2019	2020	2021
1. Annual audit fee	730,000	800,000	800,000
2. Fee for reviewing interim financial statements	360,000	330,000	330,000
Total	1,090,000	1,130,000	1,130,000

Remark: 1. Fee for reviewing interim financial statements for 3 quarters of each year.

2. The audit fee for the financial statements of the Investment Promotion Certificate (BOI) has been included.

2. Other services (Non Audit Fee)

- none -

8. Report on key performance in corporate governance

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

8.1.1 Nomination, development and evaluation of the Board's performance of duties

(1) Independent Director

(2) Nomination of directors and top executives

8.1.2 Meeting attendance and remuneration of individual committees

The Board of Directors' meetings

Name - Surname	2020				2021				
	Board of Directors	Audit Committee Director	Nomination and Remuneration Committee	Risk Management Committee	Board of Directors	Audit Committee Director	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance Committee
1. Mr. Satian Pooprasert	6/6	-	-	-	6/6	-	-	-	-
2. Miss Jirayong Anuman-rajadhon	6/6	4/4	-	1/1	6/6	4/4	1/1	-	-
3. Mrs. Pennapha Dhanasarnsilp	5/6	4/4	-	-	6/6	4/4	1/1	-	-
4. Police general. Sakda TechaKriengkrai	4/6	3/4	-	-	6/6	4/4	-	-	1/1
5. Mr. Wasun Itthirojanakul	6/6	4/4	-	1/1	6/6	4/4	-	-	1/1
6. Mr. Christopher Robert Tape	6/6	4/4	-	1/1	6/6	4/4	-	-	-
7. Mrs. Podjamarn Wongsuwan	6/6	4/4	-	-	6/6	4/4	-	-	-
8. Miss Sirirat Itthirojanakul	6/6	4/4	-	-	6/6	4/4	-	-	1/1

Source: The Company (as of 31 December 2021)

Remark: Mr. Virath Champanich does not wish to resume his position as a director of the Company and vacate his position as a director of the Company and there is no replacement, effective from 24 April 2019 onwards

8.1.3 Monitoring to ensure compliance with corporate governance policies and practices

1) In the event of a violation of the law, rules, regulations, codes of conduct or the company's policies related to or allowing subordinates to have such violations. Executives or employees must report directly to Human Resources. By allowing the Human Resources Department to proceed in accordance with the procedures set forth in the policies and procedures for working in such matters.

2) The Company will review the business ethics every 1 year to make it suitable for changing business situations and environments.

In addition, the company has to follow up to ensure compliance with good corporate governance in 4 issues as follows:

(1) Prevention of conflicts of interest

Conflict of Interest Policy

1.1 Executives

The Company will comply with the regulations of the Stock Exchange of Thailand. The management must carefully consider conflicts of interest in relation to the connected transactions between the Company and with honesty, rationally and independently under the framework of good ethics and operate in accordance with the relevant policies taking into account the benefits of the company is the cornerstone to ensure that such transactions are reasonable and it is for the benefit of the company is the cornerstone.

1.2 Executives and Employees

1.2.1 Executives or employees must not do anything that conflicts with the Company's interests whether directly or indirectly and whether by himself or in conjunction with others whether arising from contact with the Company's trade related parties such as business partners, service recipients, trade competitors or from using opportunities or information obtained from being an employee for personal gain or from doing business in competition with the Company.

1.2.2 Executives or employees must protect the interests of the Company to the fullest potential.

1.2.3 Executives or employees must not be involved in any other business that may affect the interests of the Company or in competition with the Company.

1.2.4 Executives or employees must not work for other people or any other organization which provides compensation during the working hours of the Company unless authorized by the Managing Director or a person assigned by the Managing Director in writing.

(2) Use of inside information for gains

Securities Trading and Insider Trading Policy

(1) Directors and executives are obliged to report their securities holdings in accordance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

(2) The Company must comply with the laws regarding the use of inside information by ensuring equality and fairness to all shareholders equally and in order to prevent illegal acts of personnel at all levels of the Company and their families, everyone who has been informed or may receive inside information that has not yet been disclosed to the public. The Company therefore prohibits such person from trading in shares or persuading others to buy or sell or offer to buy or offer to sell the Company's shares. Either in person or through a broker while still holding information

that has not been disclosed to the public, the Company and the Stock Exchange of Thailand regard such securities trading as speculative trading or to create an advantage for the group anyone. In this regard, directors, executives and employees of the Company who have been informed of material inside information that affect or may affect the change in securities prices must refrain from trading in the Company's securities for at least 24 hours later since the company has already disclosed such information to the public.

- (3) The company has established a security system in the workplace to protect confidential files and documents, and has taken steps to limit access to non-public information by making it known only to those involved and necessary, it is the duty of the owner of the information or the person holding the information that has not yet been disclosed to the public to instruct those involved to strictly follow the security procedures, use of inside information will be subject to disciplinary action and/or law, as the case may be.

(3) Anti-Corruption

Pioneer Motor Public Company Limited “The Company” is committed to doing business with honesty, transparent and verifiable management and in accordance with the principles of Good Corporate Governance for further business sustainability. In this regard, the Company realizes the importance of operating its business in a clean manner in order to operate the business with efficiency, fairness, social responsibility and stakeholders. And to prevent corruption that may occur in the organization in every case, the company therefore stipulates the principle of business operations that do not support the business of groups or persons who act illegally in the pursuit of benefits.

Policy

The Board of Directors, executives and employees of the Company are prohibited from demanding, acting or accepting any form of corruption, directly or indirectly. To benefit the organization and business operations of the organization and requires regular reviews of the implementation of the Anti-Corruption Policy, along with the roles, duties and responsibilities of the parties involved to be in line with the company's policies and business operations.

Roles and Responsibilities

1 Board of Directors

They are responsible for formulating anti-corruption policies, consider and approve the policy including supervision and support anti-corruption by pushing the policy to be practical in the company as well as being a good role model in the field of honest work so that all employees in the company understand and recognize the importance of anti-corruption and adhere to.

2 Audit Committees

2.1 Review the approved anti-corruption policy to suit the business model, company environment, corporate culture and presented to the Board of Directors for approval.

2.2 Responsible for reviewing financial statements, auditing the internal control system and corporate risk assessment to ensure that the company is transparent and does not conflict with the Company's anti-corruption policy.

2.3 Responsible for considering and proposing agenda when found that there is corruption in the organization to the Board of Directors to jointly determine the penalties and find ways to prevent further.

3 Internal Auditors

Duty to review the Company's performance to follow the policies or plans that are set, to build confidence in the internal control system and reduce the risk of corruption in the organization. However, the internal auditor must prepare a report to the Audit Committee for acknowledgment.

4 Directors

4.1 Senior executives, the management department, formulate anti-corruption policies to propose to the Audit Committee.

4.2 Communicate with personnel in the organization and those involved to be informed of the anti-corruption policy without being involved in corruption in any case, whether directly or indirectly.

4.3 Review anti-corruption policies to suit changes in business or the requirements of the law to propose to the Audit Committee.

4.4 Assist the Audit Committee in seeking to ascertain the facts as informed or tasks assigned by the Audit Committee on corruption investigations. They can assign tasks to the management team who see they can help investigate the facts.

Guidelines for Anti-Corruption Policy

Directors, managers and employees at all levels must comply with the Company's anti-corruption policy. Strictly and must not be involved in corruption in any case, whether directly or indirectly. The anti-corruption policy will include the work of the contractor or trading partners who come into contact with the company as well. The company has guidelines to follow the anti-corruption policy according to the following types of corruption.

1. Bribery of money or the benefit of other gifts

The Company prohibits bribery of money or the giving of other gifts for the purpose of personal gain, regardless of the format with a person or a group of people who have contact with each other in the company and non-company organizations such as government agencies and private agencies.

2. Taking bribes

2.1 Employees of all levels are prohibited from receiving money, things, gifts or other gifts that involved in corruption In order to prevent inefficient operations and affect the Company.

2.2 For various procurement/procurement works must be carried out in accordance with the company's work procedures. Since the proposal of the bid format price comparison selection of business partners and/or contractors by prohibiting employees in the Company receive offers or have hidden interests with partners and/or contractors. The Company has a method of careful inspection through the relevant department managers and must be approved for procurement/procurement by the Managing Director.

3. Charitable donations Public benefit and financial support

The company has a provision for charitable donations. Public benefits and financial support are as follows:

3.1 To approve various donations must be in accordance with the approval authority of the organization. However, if the donation any form with a value greater than 10,000 baht must be approved by the directors.

Giving or accepting a gift, souvenir or entertainment is for the sole purpose of welcoming or congratulating, without any other implications. Directors and executives must be aware of the importance of disseminating, providing knowledge, and giving advice in order to create understanding for their subordinates. About Anti-Corruption for employees to comply with this anti-corruption policy including being a good role model in being honest Ethics and Code of Conduct.

Whistleblower or complaints of corruption

- ## Whistleblowing

To give the complainant or complainant trust and confidence in a fair investigation process. In order to treat all stakeholders equally and with fairness and transparency, the Company has provided channels for whistleblowing. or complaints or comments or any suggestions showing that stakeholders are affected Or there is a risk of being affected by causing damage to all groups of stakeholders from the Company's business operations or from the Company's employees' conduct regarding violations of the law, rules, regulations or codes of conduct business including behaviors that may imply mental disorder unequal practice or actions that lack caution and lack of prudence. The complainant or complainant can report clues or complaints. Ready to send details of various evidences in the following channels:

- by whistleblowers or complaints, whether they are employees, customers, or persons hired to work for the Company or a participant. Other groups of stakeholders who are whistleblowers will be protected and protected by law or in accordance with the guidelines set by the Company, whereby the informer must act in good faith If the company finds a fraudulent whistleblower or with the intention of harassing others to be damaged Disgraceful reputation, insulted, hated or shamed, etc., the Company will proceed as it deems appropriate.

The company requires executives at all levels in the organization to Taking responsibility and it is important to ensure that employees under their command line know, understand and comply with the Code of Conduct. Policy/Regulations/Regulations of the Company Good Corporate Governance Principles Including various laws seriously and has established guidelines for considering and investigating complaints or complaints that are systematic, transparent and verifiable

However, in 2021, there were no complaints or notify any clues related to corruption or corruption to the Audit Committee.

The Company jointly announced the intention of the Thai Private Sector Collective Action against Corruption: "CAC") on April 22, 2021 to emphasize the Company's position. in conducting business for sustainable growth

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

8.2.1 Number of meetings and attendance of the individual audit committee members

Name - Surname	2020				2021				
	Board of Directors	Audit Committee Director	Nomination and Remuneration Committee	Risk Management Committee	Board of Directors	Audit Committee Director	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance Committee
1. Miss Jirayong Anuman-rajadhon	6/6	4/4	-	1/1	6/6	4/4	1/1	-	-
2. Mrs. Pennapha Dhanasarnsilp	5/6	4/4	-	-	6/6	4/4	1/1	-	-
3. Police general. Sakda TechaKriengkrai	4/6	3/4	-	-	6/6	4/4	-	-	1/1

Source: Information from the Company as of December 31, 2021

8.2.2 Duties of the Audit Committee

1. Review financial reports to ensure they are accurate and reliable, including adequate disclosures by coordinating with external auditors and responsible management to prepare quarterly and annual financial reports.
2. Review to ensure that the Company has Internal Control system and Internal Audit that appropriate and effective, and consider the independence of the internal audit unit as well as to approve the appointment, transfer and dismissal of the head of the internal audit unit or any other agency responsible for internal audits and may suggest to review or examine any items that are deemed necessary and important, as well as bring recommendations on improvements to the internal control system that are important and necessary to the Board of Directors by reviewing with external auditors and internal audit department manager.
3. Review the compliance with securities and stock exchange laws or the regulations of the Stock Exchange of Thailand, policies, rules, regulations and other laws related to the Company's business.
4. Consider, select and nominate an independent person to act as an auditor, including considering the remuneration of the Company's auditor to the Board of Directors including attending a meeting with the auditor without the management meeting at least once a year.
5. Review the Company's internal audit plan in accordance with generally accepted methods and standards.

Consider connected transactions or transactions that may have conflicts of interest in accordance with the law and the regulations of the stock exchange as well as disclosing the Company's information in such matters to be accurate and complete in order to ensure that such transactions are reasonable and for the best benefit of the Company.

6. Consider connected transactions or transactions that may have conflicts of interest in accordance with the law and the regulations of the stock exchange as well as disclosing the Company's information in such matters to be accurate and complete in order to ensure that such transactions are reasonable and for the best benefit of the Company.
7. Review to ensure that the Company has an appropriate and efficient risk management system.
8. Report the performance of the Audit Committee to the Board of Directors at least 4 times a year.
9. Prepare the Audit Committee's report to be disclosed 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) an opinion on the correctness, completeness and reliability of the Company's financial reports;
 - (b) an opinion on the adequacy of the Company's internal control system
 - (c) opinions on compliance with the law on securities and exchange stock exchange requirements or laws related to the company's business
 - (d) an opinion on the suitability of the auditor
 - (e) opinions on connected transactions or items that may have conflicts of interest
 - (f) the number of audit committee meetings and attendance of each audit committee member
 - (g) overall opinions or observations received by the Audit Committee in the performance of duties under the Charter;
 - (h) other items that shareholders and general investors should be aware of under the scope of duties and responsibilities
10. Participate in giving opinions in considering the appointment, removal, and evaluation of the work of the staff of the internal audit unit.
11. In performing duties in accordance with the scope of duties, the Audit Committee has the power to invite the management and executives to or employees of the company concerned to give opinions to attend the meeting or submit documents that are deemed relevant or necessary.
12. To have the power to hire consultants or outsiders according to the company's regulations to give opinions or give advice if necessary.
13. The Audit Committee must assess the performance by self-assessment and report the assessment results, along with the problems and obstacles in the performance that may cause the performance to fail to achieve the objectives of the establishment of the Audit Committee for the Board. The company knows every year.
14. Review and update the Audit Committee Charter.
15. Perform other tasks as assigned by Board of Directors within scope of duties and responsibilities of Audit Committee.

8.3 Summary of the performance of the Corporate Governance Committee

Names and Positions of the Corporate Governance Committee (Corporate Governance Committee)

List of Corporate Governance Committee as of December 31, 2021 consisted of 3 persons as follows:

Name – Surname	Position
1. Police general. Sakda TechaKriengkrai	Chairman of the Corporate Governance Committee / Independent Director
2. Mr. Wasun Itthirojanakul	Corporate Governance Committee / Director
3. Miss Sirirat Itthirojanakul	Corporate Governance Committee / Director

Remark: Details of executives appear in the attachment.

8.3.1 Scope of powers and duties of the Corporate Governance Committee

1. Make a corporate governance policy Anti-Corruption Policy Sustainability Policy and related practices including business ethics and good corporate governance guidelines proposed to the Board of Directors.
2. Review the relevant policies at least once a year to ensure they are continual and current in line with international guidelines and recommendations of the Corporate Governance Department and its allies, Securities and Exchange Commission and related government agencies.
3. Supervise the performance of executives and employees to be in accordance with the relevant policies Corporate Governance Practices of the Company and Good Corporate Governance Practices of the Securities and Exchange Commission.
4. Supervise the training of executives and employees. To educate about business ethics policies and related practices Anti-Corruption Policy and Guidelines Privacy Policy PDPA.
5. Review and evaluate the implementation of the policy with directors and management.
6. Corporate Governance Committee Meetings must be held as necessary and appropriate at least twice a year and minutes of meeting results to the Board of Directors.
7. Report to the Board of Directors regarding the Company's good corporate governance practices by giving opinions on guidelines and suggestions to improve as appropriate.
8. Report to the Board of Directors if a practice that does not comply with the business ethics policy and related practices Anti-Corruption Policy and Guidelines. The Personal Data Protection Policy PDPA stipulates penalties to be presented to the Board of Directors.
9. Prepare a report summarizing the performance and corporate governance of the supervisory committee which will be compiled in the Company's annual report.
10. Perform any other duties assigned by the Board of Directors.

In this regard, at the meeting of the Corporate Governance Committee No. 1/ 2021, the meeting acknowledged the progress of the implementation of the Personal Data Protection Policy or PDPA, which becomes effective in June 2022 with relevant agencies to organize. Do a check according to the rules including the implementation of anti-corruption or corruption policies. The Company has announced its intention to join the Thai private sector against corruption (CAC: Collective Action against Corruption) and is in the process of taking steps with the responsible agency. And the meeting considered appointing Ms. Sirirat Itthirojanakul to act as the secretary of the Corporate Governance Committee. To ensure that the Corporate Governance Committee complies with policies and laws as well as various regulations related.

Prepare the meeting invitation letter meeting minutes and conducting meetings of the Corporate Governance Committee Including a report on the practice that does not comply with the business ethics policy, which in the past 2021, the company did not find any notice or complaint about non-compliance with the business ethics policy.

9. Internal Control and Related Transactions

9.1 Internal Control

The Company has continually emphasized on internal control by focusing on having an internal control system that is sufficient and suitable for business operations to increase efficiency and effectiveness in operations. Resource use and property maintenance as well as having accurate and reliable accounting and financial reporting systems compliance with laws, rules, regulations related to the Company's business operations. The Board of Directors has assigned the Audit Committee to review the results of the internal control assessment and annual risk assessment.

At present, the Company has appointed Ac-Plus Consultants Company Limited with Ms. Wanna Melunnon, Head of Internal Audit, perform duties as internal auditors of the Company which evaluates the facts by asking for information from the management and documents received from the management with Mrs. Panan Pongpanich, Accounting and Finance Officer is the person who is responsible for the internal control of the company and has a conclusion From the evaluation of the Company's internal control system in various aspects, 5 elements from the assessment revealed that:

1. Internal Control

The company has an appropriate organizational structure and support the management to operate effectively. There are policies and procedures that are conducive to a good internal control system.

2. Risk Assessment

The company attaches great importance to risk management. The management has an assessment of risks (Risk Assessment) that may have a significant impact on the Company's business operations both from internal and external factors on a regular basis. The company has appointed a risk management working group to be responsible for this duty.

3. Operation control

The Company has a general internal control system (General Control) that is effective and reasonably concise appropriate to the nature of the business and the size of the business. The company has set the scope of powers and duties and the amount of approval authority of the executives at each level in writing as appropriate. There is a clear separation of duties that may facilitate corruption to be able to verify the correctness between the departments in the event that the company has transactions with major shareholders, directors, executives or people related to such persons. The Company has a follow-up measure to ensure that connected transactions must go through an approval process in accordance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The connected transaction must be reasonable and priced according to the fair price. This must be approved by the Board of Directors. A stakeholder in any transaction will not have the right to approve the transaction. The consideration of connected transactions must take into account the best interests of the Company as a transaction with a third party (at arms' length basis).

4. Information system and data communication

The Company's accounting and financial information systems have good internal controls. The Company's accounting policies are in accordance with generally accepted accounting principles and are appropriate for the nature of the Company's business. The accounting books and supporting documents for accounting records are kept completely in accordance with the law which in the past. The Company has established an information and communication system that is conducive to good internal control and has prepared the necessary financial information sufficient for the management's decision-making to be accurate and timely.

5. Tracking system

The company has a monitoring system that helps to operate efficiently.

In 2021, the Audit Committee performs duties as assigned by the Board of Directors and according to the charter of the Audit Committee with due diligence be independent and express opinions honestly without limitation in obtaining information and attaches great importance to good corporate governance in accordance with the guidelines of the Stock Exchange of Thailand.

Opinion of the Audit Committee

The Audit Committee has considered transactions between the Company and persons who may have conflicts of interest have a stake or there may be a conflict of interest in the future. According to the announcement of the Securities and Exchange Commission at the Audit Committee Meeting No. 4/2020 on Thursday, August 13, 2020, commented that such related transactions, it is a reasonable item and there is no transfer of benefits between the companies.

9.2 Related transactions

Related Parties which may or may not have transactions with the Company in fiscal year 2019 as of December 31, 2019 to the year 2021 as of December 31, 2021 are as follows:

Related Parties		Relationship with Itthirojanakul family		Shareholding Proportion		Position in the Company
1. Miss Sirirat Itthirojanakul	-	Niece of Mr. Wasun Itthirojanakul (Managing Director)	-	Major shareholder 10.539 % of registered capital	-	Board of Directors (Authorized director) - Company secretary - Director - Assistant Managing Director in Marketing
2. Miss Narerat Itthirojanakul	-	Niece of Mr. Wasun Itthirojanakul (Managing Director)	-	Major shareholder 10.540 % of registered capital	-	Director - Assistant Managing Director in Corporate Support
3. Mr.Papat Itthirojanakul	-	Nephew of Mr. Wasun Itthirojanakul (Managing Director)	-	Major shareholder 10.539 % of registered capital	-	Director - Production Manager
4. Miss Prangwadee Itthirojanakul	-	Spouse of Mr. Wasun Itthirojanakul (Managing Director)	-	Major shareholder 10.973 % of registered capital	-	none -
5. Miss Chidchanok Itthirojanakul	-	Spouse of Mr. Wasun Itthirojanakul (Managing Director)	-	Major shareholder 10.638 % of registered capital	-	none -
6. Mr. Wasupol Itthirojanakul	-	Spouse of Mr. Wasun Itthirojanakul (Managing Director)	-	Major shareholder 9.506 % of registered capital	-	none -
7. Mrs. Podjamarn Wongsuwan	-	Sister of Mr. Wasun Itthirojanakul (Managing Director)	-	Shareholder 0.649 % of registered capital	-	Board of Directors (Authorized director) - Director - Deputy Managing Director in Accounting and Finance
8. Mr. Wasun Itthirojanakul	-	Brother of Mrs. Podjamarn Wongsuwan (Deputy Managing Director in Accounting and Finance)	-	Shareholder 0.464 % of registered capital	-	Board of Directors (Authorized director) - Director - Risk Management Committee - Nomination and Remuneration Committee - Managing Director
9. Mrs.Nutcharat Itthirojanakul	-	Sister-in-law of Mr. Wasun Itthirojanakul	-	None -	-	Deputy Managing Director in Logistics

Related Parties		Relationship with Itthirojanakul family	Shareholding Proportion		Position in the Company	
		(Managing Director)				
10.	Mrs.Petchaporn Itthirojanakul	- Mother of Mr. Wasun Itthirojanakul	-	None	-	Advisor
		(Managing Director)				

Remark: ¹⁰ Mrs. Petchaporn Itthirojanakul passed away and there is no new replacement.

9.3 Policy or trend of entering into related party transactions including the acquisition or disposition of assets of the Company in the future

Measures and procedures for approval of related party transactions

In the event that there are related transactions between the Company and related persons Persons who may have conflicts of interest have stake or there may be a conflict of interest in the future which is a commercial agreement in the same way that a sensible person would do with a general counterparty in the same situation with commercial bargaining power without the influence of being a director, executive or related persons and with normal trading conditions or market prices under reasonable conditions can check and does not cause the transfer of benefits. The Company's management can operate normally under the principles approved by the Board of Directors and prepare a summary report to report to the Audit Committee every quarter.

In the case, there is a connected transaction which is not a normal trade transaction. The Company will provide an opinion by the Audit Committee on the necessity and appropriateness of the transaction. In the event that the Audit Committee does not have expertise in considering related transactions that may occur, the company will consider to an independent appraiser. Specialized independent experts or auditors to give opinions on the said connected transactions to the Audit Committee for the Audit Committee to use in making decisions and giving opinions to the Board of Directors or shareholders as the case may be to approve the said transaction before entering into the transaction. The Company will disclose the connected transaction in the notes to the financial statements which have been audited by the Company's auditor. And if the Company's ordinary shares have been listed on the Market for Alternative Investment (mai), the Company will disclose the said connected transaction in the annual registration statement (Form 56-1) and the Company's annual report (Form 56-2) in accordance with the rules and laws on securities and exchange must comply with the law on securities and exchange and regulations, notifications, orders or regulations of the Stock Exchange of Thailand those who may have conflicts or have interests in related transactions will not have the right to vote on such related transactions.

Policy or trend of future related party transactions

In the future, if the company has a need to do related transactions with people who may have conflicts of interest with the company. The Company will set various conditions according to the nature of normal trading operations and the price is reasonable which can be compared with conditions or prices incurred with the same type of business. The Company will allow the Audit Committee to give opinions on the price. Compensation rate including the necessity and appropriateness of the aforementioned connected transactions In the event that the Audit Committee does not have expertise in considering related transactions that may occur. The company will consider to an independent appraiser. Independent experts or the Company's auditors give opinions on the said related transactions for the Audit Committee to use in making decisions and giving opinions to the Board of Directors or shareholders as the case may be. The Company will disclose related transactions in the notes to the financial statements which have been audited by the

Company's auditor and if the Company's ordinary shares have been listed on the Market for Alternative Investment (mai). The Company will disclose such connected transactions in One Report in accordance with the rules and laws governing securities and exchange and regulations, announcements, orders or regulations of the Stock Exchange of Thailand and according to the Notification of the Capital Market Supervisory Board No. TorJor.21/2551.

Related transactions that may occur in the future Directors must comply with the regulations that have been established and directors must not approve any transactions in which they or any person may have a conflict of interest in any other manner with the Company and must disclose such items to the Board of Directors for consideration which the company must comply with the law on securities and exchange and regulations, announcements, orders or regulations of the Stock Exchange of Thailand including complying with the requirements relating to disclosure of connected transactions and the acquisition or disposition of the Company's assets and strictly according to the accounting standards set by the Association of Accountants.

However, related transactions that may occur in the future are expected to be a transaction with a related company according to the normal business operations of the Company and guarantees for liabilities of the company in the name of personal, which will not charge any compensation to the company in any way. All related transactions will be approved by the Audit Committee to give an opinion that the aforementioned connected transactions are reasonable and there is no transfer of benefits between the companies.

Approval in principle relating to commercial agreements with general commercial terms in transactions between the Company and directors, executives or related persons

At present, the Company does not have any connected transactions with related companies which in the future the company there may be additional related transactions with the Company in which the Company can conduct such transactions. If the transaction contains a trade agreement in the same way that a sensible person would do with an ordinary counterparty, the same situation with the bargaining power without influence on his or her status as a related person. In this regard, the Board of Directors Meeting No. 1/2015 (first time after conversion) on April 29, 2015 resolved to approve in principle a commercial agreement with general trading conditions in transactions between the companies with the connected person and related companies to use as a guideline for future actions.

Investor Protection Measures

To protect investors in the future, if there is a connected transaction of the Company happens to people who may have conflicts of interest have a stake or there may be a conflict of interest in the future, the Company will arrange for a presentation of the said item through the Board of Directors meeting attended by the Audit Committee. In this regard, to ensure that the related party transactions are in accordance with the law on securities and exchange and the regulations, announcements and regulations of the Stock Exchange of Thailand including compliance with the disclosure requirements of connected transactions and the acquisition or disposition.

PIONEER MOTOR PUBLIC COMPANY LIMITED AND SUBSIDIARIES

Financial Statements and Independent Auditor's Report

For the year ended 31 December 2021



ACCOUNTING SYSTEM & TAX
Certified Public Accountants

บริษัท เอเอสที มาสเตอร์ จำกัด

790/12 ทองหล่อทาวเวอร์ ซอยทองหล่อ 18
ถนนสุขุมวิท 55 แขวงคลองตันเหนือ เขตวัฒนา
กรุงเทพฯ 10110
โทร : 0-2714-8843, 0-2185-0342

Independent Auditor's Report

To the Board of Directors and Shareholders of **Pioneer Motor Public Company Limited**

Opinion

I have audited the accompanying consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year ended 31 December 2021 and notes to the consolidated financial statements of **Pioneer Motor Public Company Limited and its subsidiary** ("the Group") and have also audited the separate statement of financial position as at 31 December 2021, and the related separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the separate financial statements of **Pioneer Motor Public Company Limited**, including a summary of significant accounting policies.

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

Basis for Opinion

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

Emphasis of Matters

I draw attention to Note 4 to the financial statements regarding the change in accounting policy for land value measured from the cost method to the revalued amount (fair value) method by using prospectively adjustment. My opinion is not qualified in respect of this matter.

sunanta

AST MASTER

บริษัท เอเอสที มาสเตอร์ จำกัด

Key Audit Matters

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

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

Revenue recognition

Sales of goods are significant amounts in the financial statements and directly affect profit or loss of the Company. In addition, the sales transactions of the Company are made with a large number of domestic and oversea customers and there are a variety of arrangements and conditions. As a result, there are therefore the account is considered a significant account and have a direct impact on operating results.

I have examined the Company's revenue recognition by assessing and testing the Company's its internal controls with respect to the revenue cycle by making inquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above risks. I applied a sampling method to select sales transactions occurring during the year and near the end of the accounting period to examine the supporting documents and reviewed credit notes that the Company issued after the period-end. I also performed the revenues disaggregated by product groups to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Land value measured by revaluation method (fair value)

As at 31 December 2021, the Company has measured land, which recorded as part of property, plant and equipment by using a revalued amount (fair value) included in the separate statement of financial position amounting of Baht 179.8 Million, accounted for 17.7% of total assets. The fair value measurement of such transactions were significant to the financial statements and involves the used judgment in evaluating the reliability of assumptions.

I gained understanding of the appraisal report of the fair value of land prepared by the independent appraiser regarding the method, locations, transportation, characteristics, public utilities, environments, liquidity, land used for comparison and independent appraiser's opinion. I consulted with the independent appraisers, inspected the relevant documents, which are engagement letter to understand the service provided by the independent appraiser, objectives, methodologies and assumptions used by them. I performed an evaluation of the competence, capabilities and objectivity of the valuer, engaged by the Group. I checked the property detail provided to valuer with asset register and detail of property on valuation report for the completeness of property in valuation scope and tested the calculations and considered the adequacy of disclosures in accordance with the Thai Financial Reporting Standard.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report, but does not include the 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 financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

Sumanta

AST MASTER

บริษัท เอเอสที มาสเตอร์ จำกัด

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Sumanta

AST MASTER

บริษัท เอเอสที มาสเตอร์ จำกัด

- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

Sunanta K.

SUNANTA KUMSUK
Certified Public Accountant
Registration No. 8207

AST Master Co., Ltd.
24 February 2022

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

ASSETS	Notes	In Baht		
		Consolidated		Separate financial statements
		financial statements		
		2020	2021	2020
CURRENT ASSETS				
Cash and cash equivalents	7	47,037,101	25,051,727	47,027,589
Trade accounts receivable	8	143,172,797	187,780,766	143,172,797
Other receivables	9	19,888,913	30,451,590	19,888,667
Inventories	10	162,380,277	314,494,083	162,380,277
Loan to subsidiary	6.2	-	-	-
Other current financial assets	11	140,996,669	38,637,439	140,996,669
Total current assets		513,475,757	596,415,605	513,465,999
NON - CURRENT ASSETS				
Fixed deposits pledged as collateral	12	1,312,386	1,314,947	1,312,386
Investment in subsidiary	13	-	-	3,600
Property, plant and equipment	14	228,898,561	413,162,446	229,255,764
Computer software	15	3,317,297	4,643,804	3,317,297
Deferred tax assets	25	6,580,110	-	6,580,110
Advance for purchase of equipment		3,739,618	2,425,584	3,739,618
Total non - current assets		243,847,972	421,546,781	244,208,775
TOTAL ASSETS		757,323,729	1,017,962,386	757,674,774

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

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

		In Baht		
		Consolidated		
		financial statements	Separate financial statements	
LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	2020	2021	2020
CURRENT LIABILITIES				
Trade accounts payable		195,451,009	252,403,800	195,367,777
Other payables	17	16,149,630	27,551,225	16,141,630
Current portion of liabilities				
under lease agreements	18	1,896,250	801,198	1,896,250
Accrued income tax		1,507,492	12,293,782	1,507,492
Provision	19	666,593	735,721	666,593
Other current liabilities		26,767	39,206	26,767
Total current liabilities		215,697,741	293,824,932	215,606,509
NON - CURRENT LIABILITIES				
Liabilities under lease agreements	18	1,123,756	714,609	1,123,756
Deferred tax liabilities	25	-	16,405,617	-
Employee benefit obligations	20	28,960,814	30,519,759	28,960,814
Total non - current liabilities		30,084,570	47,639,985	30,084,570
Total liabilities		245,782,311	341,464,917	245,691,079
SHAREHOLDERS' EQUITY				
Share capital	21			
Registered				
852,598,707 ordinary shares of Baht 0.25 each				
(2020: 624,000,000 ordinary shares of Baht 0.25 each)		156,000,000	213,149,677	156,000,000
Issued and paid-up				
616,465,661 ordinary shares of Baht 0.25 each		154,116,415	154,116,415	154,116,415
Premium on share capital		207,579,025	207,579,025	207,579,025
Retained earnings				
Appropriated for legal reserve	22	15,600,000	21,314,967	15,600,000
Unappropriated		134,245,978	199,250,743	134,688,255
Revaluation surplus on assets	14	-	94,236,319	-
Total shareholders' equity		511,541,418	676,497,469	511,983,695
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		757,323,729	1,017,962,386	757,674,774

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

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

		In Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2021	2020	2021	2020
Sales	29	990,912,807	795,760,991	990,912,807	795,760,991
Costs of sales		(803,960,401)	(637,247,637)	(803,960,401)	(637,247,637)
Gross profit		186,952,406	158,513,354	186,952,406	158,513,354
Other incomes	23	39,671,308	16,989,118	39,588,076	16,989,118
Profit before expenses		226,623,714	175,502,472	226,540,482	175,502,472
Selling expenses		(45,973,174)	(38,602,637)	(45,973,174)	(38,602,637)
Administrative expenses		(55,792,370)	(56,083,713)	(56,127,413)	(56,088,966)
Total expenses		(101,765,544)	(94,686,350)	(102,100,587)	(94,691,603)
Profit from operating activities		124,858,170	80,816,122	124,439,895	80,810,869
Finance costs		(139,709)	(354,460)	(139,709)	(354,460)
Net loss from dissolution of subsidiary	24	-	-	(24,002)	-
Profit before income tax		124,718,461	80,461,662	124,276,184	80,456,409
Tax expenses	25	(22,625,321)	(1,021,941)	(22,625,321)	(1,021,941)
Profit for the year		102,093,140	79,439,721	101,650,863	79,434,468
Other comprehensive income					
Other comprehensive income not to be reclassified to profit or loss in subsequent year					
Revaluation surplus on assets	14	117,795,399	-	117,795,399	-
Less : Income tax effect	25	(23,559,080)	-	(23,559,080)	-
Net		94,236,319	-	94,236,319	-
Actuarial gain (loss)	20	853,144	(689,923)	853,144	(689,923)
Less : Income tax effect	25	(170,629)	137,985	(170,629)	137,985
Net		682,515	(551,938)	682,515	(551,938)
Other comprehensive income for the year		94,918,834	(551,938)	94,918,834	(551,938)
Total comprehensive income for the year		197,011,974	78,887,783	196,569,697	78,882,530
Earnings per share					
Basic earnings per share					
Profit for the year	26	0.166	0.129	0.165	0.129
Diluted earnings per share					
Profit for the year		0.144	0.129	0.143	0.129

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

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

In Baht						
Consolidated financial statements						
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Revaluation surplus on assets	Total
			Appropriated for legal reserve	Unappropriated		
Balance as at 1 January 2020	154,116,415	207,579,025	15,600,000	77,549,679	-	454,845,119
Dividend paid	21	-	-	(22,191,484)	-	(22,191,484)
Profit for the year	-	-	-	79,439,721	-	79,439,721
Other comprehensive income for the year	-	-	-	(551,938)	-	(551,938)
Total comprehensive income for the year	-	-	-	78,887,783	-	78,887,783
Balance as at 31 December 2020	154,116,415	207,579,025	15,600,000	134,245,978	-	511,541,418
Balance as at 1 January 2021	154,116,415	207,579,025	15,600,000	134,245,978	-	511,541,418
Legal reserve	22	-	5,714,967	(5,714,967)	-	-
Dividend paid	21	-	-	(32,055,923)	-	(32,055,923)
Profit for the year	-	-	-	102,093,140	-	102,093,140
Other comprehensive income for the year	-	-	-	682,515	94,236,319	94,918,834
Total comprehensive income for the year	-	-	-	102,775,655	94,236,319	197,011,974
Balance as at 31 December 2021	154,116,415	207,579,025	21,314,967	199,250,743	94,236,319	676,497,469

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

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

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	124,718,461	80,461,662	124,276,184	80,456,409
Adjustments to reconcile profit to net cash provided by operating activities				
Reversal of allowance for expected credit loss for trade accounts receivable	-	(474,770)	-	(474,770)
Reversal of allowance for expected credit loss for Open-end Mutual Fund receivable	(101,981)	(173,096)	(101,981)	(173,096)
Reversal of allowance for expected credit loss for loan to subsidiary	-	-	(1,059,397)	-
Loss from dissolution of subsidiary	-	-	1,083,399	-
Unrealized loss (gain) on exchange rate	(306,938)	190,236	(306,938)	190,236
Gain on sale of other current financial assets	(472,331)	(370,906)	(472,331)	(370,906)
Unrealized gain from changes in fair value of other current financial assets	(8,440)	(693,787)	(8,440)	(693,787)
Allowance for obsolescence of inventories	742,142	1,358,615	742,142	1,358,615
Reversal of accrued tax expense	-	(93,281)	-	(93,281)
Depreciation	28,250,474	25,830,926	28,607,677	25,845,396
Amortization of computer software	930,163	691,102	930,163	691,102
Gain on disposal of equipment	(161,909)	(43,895)	(161,909)	(43,895)
Employee benefit obligations	3,194,327	3,277,180	3,194,327	3,277,180
Recording of the increase in provision	666,660	628,074	666,660	628,074
Finance costs	139,709	354,460	139,709	354,460
Profit from operating activities before change in operational assets and liabilities	157,590,337	110,942,520	157,529,265	110,951,737
Decrease (increase) in operating assets				
Trade accounts receivable	(44,331,717)	(26,280,232)	(44,331,717)	(26,280,232)
Other receivables	(10,460,696)	5,923,397	(10,460,942)	5,923,398
Inventories	(152,855,948)	(35,283,489)	(152,855,948)	(35,283,489)
Increase (decrease) in operating liabilities				
Trade accounts payable	56,983,477	75,219,563	57,066,709	75,219,563
Other payables	15,513,144	(1,005,404)	15,521,144	(1,003,404)
Provision	(597,532)	(411,431)	(597,532)	(411,431)
Employee benefit obligations	(782,238)	(1,064,108)	(782,238)	(1,064,108)
Cash received from operations	21,058,827	128,040,816	21,088,741	128,052,034
Tax paid	(12,583,013)	(1,709,374)	(12,583,013)	(1,709,374)
Net cash provided by operating activities	8,475,814	126,331,442	8,505,728	126,342,660

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

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from loan to subsidiary	-	-	1,059,397	-
Proceeds from disposal of other current financial assets	517,984,617	418,717,963	517,984,617	418,717,963
Cash paid for acquisition of other current financial assets	(415,144,616)	(429,673,983)	(415,144,616)	(429,673,983)
Cash paid for investment in subsidiary	-	-	(1,100,000)	-
Proceeds from dissolution of subsidiary	-	-	20,201	-
Increase in fixed deposits pledged as collateral	(2,561)	(10,340)	(2,561)	(10,340)
Proceeds from disposal of equipment	161,919	67,818	161,919	67,818
Cash paid for acquisition of property, plant and equipment	(98,385,659)	(24,237,716)	(98,385,659)	(24,237,716)
Cash paid for acquisition of computer software	(2,256,670)	(2,498,809)	(2,256,670)	(2,498,809)
Decrease (Increase) in advance for purchase of equipment	1,314,034	(2,459,618)	1,314,034	(2,459,618)
Net cash provided by (used in) investing activities	<u>3,671,064</u>	<u>(40,094,685)</u>	<u>3,650,662</u>	<u>(40,094,685)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Interest paid	(139,709)	(354,460)	(139,709)	(354,460)
Cash paid for long-term loan	-	(24,460,000)	-	(24,460,000)
Repayment of liabilities under lease agreements	(1,949,059)	(1,871,508)	(1,949,059)	(1,871,508)
Cash paid for dividends	(32,043,484)	(22,195,775)	(32,043,484)	(22,195,775)
Net cash used in financing activities	<u>(34,132,252)</u>	<u>(48,881,743)</u>	<u>(34,132,252)</u>	<u>(48,881,743)</u>
Net increase (decrease) in cash and cash equivalents	(21,985,374)	37,355,014	(21,975,862)	37,366,232
Cash and cash equivalents, beginning of year	<u>47,037,101</u>	<u>9,682,087</u>	<u>47,027,589</u>	<u>9,661,357</u>
Cash and cash equivalents, end of year	<u>25,051,727</u>	<u>47,037,101</u>	<u>25,051,727</u>	<u>47,027,589</u>
<u>Supplement Disclosures of Cash Flows information</u>				
Non - cash transactions				
Increase (decrease) in payable from acquisition of plant and equipment	(4,111,549)	4,539,082	(4,111,549)	4,539,082
Increase in liabilities under lease agreements	444,860	428,192	444,860	428,192
Increase (decrease) in accrued dividends	12,439	(4,291)	12,439	(4,291)

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

**PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. GENERAL INFORMATION

Pioneer Motor Public Company Limited was incorporated in Thailand. The Company is engaged in business of manufacturing and distributing air-conditioning electric motors, industrial motors, dewatering, centrifugal pump, motors for pools and spas and motor home pumps. Major shareholder is Ithirojanakul Family.

The Company is located at 78, 78/4, 78/5 Moo 3 Dontoom - Nakornchaisri Road, Donfaek, Nakornchaisri, Nakornpathom.

Branch Office 1 is located at 78/2, 78/3 Moo 3 Dontoom - Nakornchaisri Road, Donfaek, Nakornchaisri, Nakornpathom.

The Company was listed on the Stock Exchange of Thailand on 13 August 2015 and the Company's stocks were traded on the MAI (Market for Alternative Investment).

The outbreak of the coronavirus disease 2019

The outbreak of the coronavirus 2019 (COVID-19) in Thailand and other countries is recently importing economic, as a whole. This situation may bring uncertainties and have an impact on the environment in which the Group's operation. However, the Group's management is now paying close attention to the development of the COVID-19 outbreak and has continuously evaluating its impacts on the operation, the valuation of assets, provisions and contingent liabilities. In this regards, the Group's management has used estimates and judgement in respect of various issues as the situation has evolved.

2. BASIS FOR FINANCIAL STATEMENTS PREPARATION

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

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The financial statements have been prepared on the basis that the Company will continue to operate going concern by the historical cost convention except for the revaluation of certain assets and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period as disclosed in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and service at transaction date.

The consolidated financial statements include the financial statements of Pioneer Motor Public Company Limited and its subsidiary, VSM (Thailand) Company Limited, with the holding of 100% of authorized share.

VSM (Thailand) Company Limited has registered for liquidation with the Ministry of Commerce on 2 July 2021 (Notes 13 and 24). For the purpose of consolidated financial statements preparation, the Company presented the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows, which including the subsidiary's financial performance and cash flows for the period from 1 January 2021 to 2 July 2021. The Company does not prepared the consolidated statements of financial position as at 31 December 2021.

"The Company" represents "Pioneer Motor Public Company Limited," while "The Group" represents "Pioneer Motor Public Company Limited" and subsidiary which is "VSM (Thailand) Company Limited".

Significant transactions with subsidiary in the consolidated financial statements have been eliminated.

The consolidated and separate financial statements are presented in Thai Baht, which is also the functional currency of the Group. All financial information presented in Thai Baht has been rounded in the notes to the financial statements unless otherwise stated.

**PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

For the convenience of the user, an English translation of the financial statements has been prepared from the financial statements that are issued in the Thai language.

3. NEW FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting, which are effective for the financial statements for the period beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to reference to the Conceptual Framework in TFRSs, revising the definition of materiality, definition of business and accounting requirement for Interest Rate Benchmark Reform.

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

3.2 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2022

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

The Company's management will adopt the relevant TFRSs in the preparation of Company's financial statements when they become effective. The Company's management is on the evaluating process to assess the impact of these TFRSs on the financial statements of the Company in the period of initial application.

4. CHANGES IN AN ACCOUNTING POLICIES

On 11 October 2021, the Board of Management meeting has passed a resolution to change in valuation of land with effective on 9 November 2021. The valuation method was changed from cost method to the revaluation method (fair value). This reappraisal is based on the market value method. The change in the above accounting policy is to make the financial statements provide more reliable and more relevant information of the financial position and financial performance of the Company.

Change in valuation of land, which recorded as a part of property, plant and equipment from the cost method to revalued amount (fair value) as allowed by the Thai Accounting Standard 16 Property, plant and equipment, provides a measure of choice by using prospectively adjustment. As a result, the value of the land from the original cost amounted to Baht 62.0 million and the revaluation amount to Baht 117.8 million, which is the fair value of the land amounted to Baht 179.8 million, presented in Note 14 to the financial statements.

5. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below;

5.1 Revenue recognition

Revenue from sale of motors and pumps products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. A receivable is recognized when the goods are delivered to the customer's specific location at which the Company has right to receive payment of that consideration is due. Revenue is measured at the amount of the consideration received or receivable.

The Company recognizes the amount expected they will have to return to customers as a refund liability and recognise the right to recover the goods expected to be returned by customers as a right of return asset in the statement of financial position (if any). The asset is measured at the former carrying amount of the inventory, less any expected costs to recover then goods. Provision

**PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

for warranty claims is recognised based on the actual ratio of repair or replacement of the defective goods and revenues in the past.

Interest income is recognized on a time proportion basis that reflects the effective yield on the asset.

5.2 Cash and cash equivalents

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

Deposits at financial institutions that are restricted in use are presented as “Deposits pledged as collateral” under non - current assets in the statement of financial position.

5.3 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in, first-out method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow moving and defective inventories.

5.4 Investment in subsidiary

Subsidiary is an entity over which the Company has control. The Company controls an entity when the Company 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. Subsidiary is fully consolidated from the date on which control is transferred to the Company. The subsidiary is deconsolidated from the date that control ceases.

Investment in subsidiary is accounted for, in the separate financial statements, using the cost method net of allowance for impairment loss (if any).

5.5 Property, plant and equipment

Land is stated at revalued amount (2020: Land are stated at cost). Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

When an asset's carrying amount is increased as a result of a revaluation of the Company's and its subsidiaries' assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognized in equity under the heading of “Revaluation surplus”. However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.

When an asset's carrying amount is decreased as a result of a revaluation of the Company's and its subsidiaries' assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in “Revaluation surplus” in respect of the same asset.

Building and equipment initially recognized at cost. All assets including right-of-use assets (see Note 5.6) except for land that is presented in the statement of financial position at the original cost less accumulated depreciation.

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Depreciation is calculated on the straight line over the estimated useful lives of the assets as follows:

Land improvement	10 years
Buildings and structures	5-25 years
Machineries and equipment	3-20 years
Furniture and office equipment	3-5 years
Vehicles	10 years

Repairs and maintenance are charged in profit or loss during the financial period in which they are incurred. The cost of the replacement part is included in the carrying amount of the asset and is depreciated over the remaining useful life of the related asset.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss. When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

Building-in-progress and machinery under installation are stated at cost less allowance for impairment (if any). These assets are not depreciated until such time as the relevant assets are completed and ready for their intended operational use.

5.6 Leases

Right-of-use assets

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

Unless the Company is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of their estimated useful lives and the lease term. If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Depreciation of right-of-use assets are as follows:

Machineries & Equipment	10 years
Vehicles	10 years

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

**PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

5.7 Computer software

Right to use a computer program that looks at a specific purchase recorded as an asset when the cost of acquisition and action to a particular computer program used accompanied by a request. It is amortized using the straight-line method over the estimated useful life of 5-10 years.

5.8 Impairment of land, building and equipment and other intangible assets

The Company annually reviewed the impairment of land, building and equipment and other intangible assets, whenever events or changes in circumstances indicate that the recoverable amount of assets is below the carrying amount. the Company recognizes the impairment losses and a reversal of impairment loss is recognized as income when there is an indication that the expected recoverable amount is higher than the amount recognized provided that such a reversal should not exceed the carrying amount that would have been determined (net of amortization and depreciation) had no impairment loss been recognized for the asset in prior periods. Recoverable value is the higher of an amount between fair value less costs to sell and value in use.

5.9 Provisions

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

5.10 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company contributions are recognized as expenses when the employee have rendered service to the Company during the year.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from other long-term benefits are recognised immediately in other comprehensive income that will not be reclassified.

5.11 Foreign currency transactions

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the date of statement of financial position. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in profit or loss, except for exchange differences on transactions relating to hedge foreign currency risks, which are disclosed in Note 5.15

**PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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5.12 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

5.13 Related person and companies

Persons and companies that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

5.14 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

**PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

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

These financial assets include derivatives and financial assets with cash flows that are not solely payments of principal and interest.

Classification and measurement of financial liabilities

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

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Impairment of financial assets

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

5.15 Derivatives

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value at the reporting date. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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5.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

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

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

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

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

5.17 Critical accounting estimates and assumption

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

Property plant and equipment/Depreciation

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

The Company measure land at revalued amounts. Such amounts are determined by the independent valuer using the market approach for land. The valuation involves certain assumptions and estimates.

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

Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and assets arising from the contract, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Company's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance for net realizable value

The Company considers the allowance for net realizable value based on the estimate of selling price in the ordinary course of business and normal condition of inventory. The net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
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Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. TRANSACTIONS WITH RELATED PERSONS AND COMPANY

6.1 Relationship and pricing policies

	Relationship
Subsidiary	
VSM (Thailand) Co., Ltd.	Shareholding by the Company and directorship
<i>(Registered dissolution on 2 July 2021 according to Notes 13 and 24)</i>	

Pricing policies for the subsidiary as follows:

	Pricing policy
Short-term loan to	No interest

6.2 Balances of transactions with subsidiary

The Company had significant balances with subsidiary as at 31 December 2021 and 2020 are as follows:

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2020	2021	2020
Short-term loan to			
Subsidiary			
Beginning of the year	-	1,059,397	1,059,397
Additions during the year	-	(1,059,397)	-
Ending of the year	-	-	1,059,397
<u>Less</u> Allowance for expected credit losses	-	-	(1,059,397)
Net	-	-	-

In July 2021, the Company has received the full amount of short-term loan from the subsidiary (Note 13). Therefore, the Company has reversed the allowance for expected credit losses, which recognized in the statement of comprehensive income for the year ended 31 December 2021 (Note 24).

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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6.3 Expenses with related persons and company

DIRECTORS AND MANAGEMENT'S BENEFITS

The Company had employee benefit expenses of its directors and management for the years ended 31 December 2021 and 2020, as below.

	In Baht	
	Consolidated and Separate financial statements	
	2021	2020
Short - term employee benefits	25,477,354	24,521,192
Post - employment benefits	938,945	1,053,419
Total	26,416,299	25,574,611

7. CASH AND CASH EQUIVALENTS

	In Baht		
	Consolidated financial statements	Separate financial statements	
	2020	2021	2020
Cash on hand	79,875	88,409	79,646
Current accounts	23,493,474	4,643,253	23,484,191
Saving accounts	23,463,752	20,320,065	23,463,752
Total	47,037,101	25,051,727	47,027,589

As at 31 December 2021, the interest rates of deposits at financial institutions were 0.05 % to 0.125 % per annum (2020: 0.05% to 0.125% per annum)

8. TRADE ACCOUNTS RECEIVABLE

Aging of trade accounts receivable as at 31 December 2021 and 2020 are as follows:

	In Baht	
	Separate financial statements	Consolidated and Separate financial statements
	2021	2020
Within credit terms	162,953,707	125,440,739
Overdue:		
Less than 3 months	24,212,164	17,187,538
3 - 6 months	415,178	172,587
7 - 12 months	114,217	-
Over 12 months	85,500	371,933
Total	187,780,766	143,172,797

The normal credit term for general customers ranging 30 days and no more than 120 days with an except to international customers who receive approximately 30 - 60 days of trade credit after the Company has the right to bill for the goods or services already transferred to customers.

As at 31 December 2021 and 2020, trade account receivable that have been overdue over 12 months have not been recorded any allowance for expected credit losses because the debtor have agreed to pay monthly installment to the Company, which after the end of the reporting period has received some payment from the accounts receivable and this amount is not material.

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9. OTHER RECEIVABLES

	In Baht		
	Consolidated	Separate financial statements	
	financial statements	2021	2020
	2020		
Open-end Mutual Fund receivable	1,805,806	1,703,825	1,805,806
<u>Less</u> Allowance for doubtful accounts -			
Open-end Mutual Fund receivable	(1,805,806)	(1,703,825)	(1,805,806)
Open-end Mutual Fund receivable - net	-	-	-
Value added tax receivable	15,260,832	9,700,321	15,260,586
Advances for inventories	4,058,200	18,986,818	4,058,200
Prepaid expenses	432,716	633,100	432,716
Unbilled input tax	137,165	200,518	137,165
Tax credit certificate	-	930,833	-
Total	19,888,913	30,451,590	19,888,667

10. INVENTORIES

	In Baht					
	At cost		Allowance for		Inventories-net	
			obsolescence of inventories			
	Separate financial statements	Consolidated and Separate financial statements	Separate financial statements	Consolidated and Separate financial statements	Separate financial statements	Consolidated and Separate financial statements
	2021	2020	2021	2020	2021	2020
Finished goods	63,342,078	28,453,524	(1,538,827)	(628,697)	61,803,251	27,824,827
Work in process	58,642,490	31,471,322	-	-	58,642,490	31,471,322
Raw material	199,706,848	108,910,622	(5,658,506)	(5,826,494)	194,048,342	103,084,128
Total	321,691,416	168,835,468	(7,197,333)	(6,455,191)	314,494,083	162,380,277

During the current year, the Company recorded allowance for obsolescence of inventories by Baht 0.7 million to reflect the net realisable value. This was included in cost of sales. (2020: Baht 1.4 million)

11. OTHER CURRENT FINANCIAL ASSETS

	In Baht	
	Separate financial statements	Consolidated and Separate financial statements
	2021	2020
Investments in unit trusts in debt securities open-ended fund (Fair value through profit or loss)	38,637,439	140,996,669

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The movement in unit trusts can be analyzed as follows:

	In Baht	
	Separate financial statements	Consolidated and Separate financial statements
	2021	2020
Beginning of year	140,996,669	128,975,956
Additions during the year	415,144,616	429,673,983
Disposal / repayment during the year	(517,512,286)	(418,347,057)
Unrealized gain from change in fair value of investments during the year	8,440	693,787
Ending of year	38,637,439	140,996,669

12. FIXED DEPOSITS PLEDGED AS COLLATERAL

As at 31 December 2021 and 2020, the Company has fixed deposits in the amount of Baht 1.3 million, bears interest at the rate of 0.15% - 0.20% per annum (2020: interest at the rate of 0.15% - 0.20% per annum). These deposits are pledged as collateral for bank guarantees from financial institutions for the payment of electricity as discussed in Note 31.2.

13. INVESTMENT IN SUBSIDIARY

Separate financial statements as at 31 December 2021 and 2020

	Holding	In Baht					
		Paid-up Capital		At Cost		Book value	
		2021	2020	2021	2020	2021	2020
VSM (Thailand) Co., Ltd.	100%	-	100,000	-	3,600	-	3,600

VSM (Thailand) Co., Ltd. is engaged in business of manufacturing and distributing electric motors.

	In Baht
	Separate financial statements
Transactions during the year ended 31 December 2021	
Net book value, beginning of year	3,600
Increase in investment	1,100,000
Liquidation	(1,103,600)
Net book value, ending of year	-

In June 2021, the Company invested in the shares of VSM (Thailand) Co., Ltd., by paying amount of Baht 1.10 million for repayment of borrowing debt in Note 6.2. Subsequently, on 2 July 2021, the subsidiary has registered for dissolution with the Ministry of Commerce. On 28 August 2021, the liquidation process is complete. The Company received capital return from liquidation amounting of Baht 0.02 million. The Company recorded loss from dissolution of subsidiary in the statement of comprehensive income for the year ended 31 December 2021 amounting of Baht 1.08 million in Note 24.

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14. PROPERTY, PLANT AND EQUIPMENT

	In Baht									
	Consolidated financial statements									
	Land &	Buildings &	Machineries &	Office	Vehicles	Right-of-use assets			Assets under	Total
	Improvement	Improvement	Equipment	fixture and equipment		Vehicles	Machinery	Total	construction and installation	
As at 1 January 2020										
Cost	37,930,222	117,486,417	351,060,658	8,517,224	11,052,911	4,956,276	4,843,157	9,799,433	8,249,073	544,095,938
Less Accumulated depreciation	(3,867,616)	(46,335,709)	(251,803,375)	(6,823,433)	(7,523,737)	(1,823,749)	(369,899)	(2,193,648)	-	(318,547,518)
Net book amount	34,062,606	71,150,708	99,257,283	1,693,791	3,529,174	3,132,527	4,473,258	7,605,785	8,249,073	225,548,420
Transactions during the year ended 31 December 2020										
Net book value, beginning of year	34,062,606	71,150,708	99,257,283	1,693,791	3,529,174	3,132,527	4,473,258	7,605,785	8,249,073	225,548,420
Acquisition assets	-	863,871	17,528,783	694,237	-	737,384	-	737,384	9,380,715	29,204,990
Transfer in (out)	-	2,053,607	10,451,874	190,626	1,269,560	(1,269,560)	-	(1,269,560)	(12,696,107)	-
Disposals	-	(1,716)	(16,087)	(6,120)	-	-	-	-	-	(23,923)
Depreciation	-	(5,360,654)	(17,766,928)	(685,004)	(1,111,362)	(421,623)	(485,355)	(906,978)	-	(25,830,926)
Net book value, end of year	34,062,606	68,705,816	109,454,925	1,887,530	3,687,372	2,178,728	3,987,903	6,166,631	4,933,681	228,898,561
As at 31 December 2020										
Cost	37,930,222	120,379,646	377,807,063	9,304,236	12,851,243	3,895,327	4,843,157	8,738,484	4,933,681	571,944,575
Less Accumulated depreciation	(3,867,616)	(51,673,830)	(268,352,138)	(7,416,706)	(9,163,871)	(1,716,599)	(855,254)	(2,571,853)	-	(343,046,014)
Net book amount	34,062,606	68,705,816	109,454,925	1,887,530	3,687,372	2,178,728	3,987,903	6,166,631	4,933,681	228,898,561

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	In Baht									
	Separate financial statements									
	Land & Improvement	Buildings & Improvement	Machineries & Equipment	Office fixture and equipment	Vehicles	Right-of-use assets			Assets under construction and installation	Total
						Vehicles	Machinery	Total		
As at 1 January 2020										
Cost	37,930,222	117,486,417	351,016,254	8,497,675	11,052,911	4,956,276	4,843,157	9,799,433	8,249,073	544,031,985
Less Accumulated depreciation	(3,867,616)	(46,335,709)	(251,387,298)	(6,803,884)	(7,523,737)	(1,823,749)	(369,899)	(2,193,648)	-	(318,111,892)
Net book amount	34,062,606	71,150,708	99,628,956	1,693,791	3,529,174	3,132,527	4,473,258	7,605,785	8,249,073	225,920,093
Transactions during the year ended 31 December 2020										
Net book value, beginning of year	34,062,606	71,150,708	99,628,956	1,693,791	3,529,174	3,132,527	4,473,258	7,605,785	8,249,073	225,920,093
Acquisition assets	-	863,871	17,528,783	694,237	-	737,384	-	737,384	9,380,715	29,204,990
Transfer in (out)	-	2,053,607	10,451,874	190,626	1,269,560	(1,269,560)	-	(1,269,560)	(12,696,107)	-
Disposals	-	(1,716)	(16,087)	(6,120)	-	-	-	-	-	(23,923)
Depreciation	-	(5,360,654)	(17,781,398)	(685,004)	(1,111,362)	(421,623)	(485,355)	(906,978)	-	(25,845,396)
Net book value, end of year	34,062,606	68,705,816	109,812,128	1,887,530	3,687,372	2,178,728	3,987,903	6,166,631	4,933,681	229,255,764
As at 31 December 2020										
Cost	37,930,222	120,379,646	377,762,659	9,284,687	12,851,243	3,895,327	4,843,157	8,738,484	4,933,681	571,880,622
Less Accumulated depreciation	(3,867,616)	(51,673,830)	(267,950,531)	(7,397,157)	(9,163,871)	(1,716,599)	(855,254)	(2,571,853)	-	(342,624,858)
Net book amount	34,062,606	68,705,816	109,812,128	1,887,530	3,687,372	2,178,728	3,987,903	6,166,631	4,933,681	229,255,764

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	In Baht											
	Separate financial statements											
	Land & Improvement			Buildings & Improvement	Machineries & Equipment	Office fixture and equipment	Vehicles	Right-of-use assets			Assets under construction and installation	Total
	Cost	Appraised value	Total					Vehicles	Machinery	Total		
As at 1 January 2021												
Cost	37,930,222	-	37,930,222	120,379,646	377,762,659	9,284,687	12,851,243	3,895,327	4,843,157	8,738,484	4,933,681	571,880,622
Less Accumulated depreciation	(3,867,616)	-	(3,867,616)	(51,673,830)	(267,950,531)	(7,397,157)	(9,163,871)	(1,716,599)	(855,254)	(2,571,853)	-	(342,624,858)
Net book amount	34,062,606	-	34,062,606	68,705,816	109,812,128	1,887,530	3,687,372	2,178,728	3,987,903	6,166,631	4,933,681	229,255,764
Transactions during the year ended 31 December 2021												
Net book value, beginning of year	34,062,606	-	34,062,606	68,705,816	109,812,128	1,887,530	3,687,372	2,178,728	3,987,903	6,166,631	4,933,681	229,255,764
Acquisition assets	27,945,012	-	27,945,012	13,253,079	15,878,090	730,729	-	635,513	-	635,513	36,276,547	94,718,970
Revaluation surplus on assets (Note 4)	-	117,795,399	117,795,399	-	-	-	-	-	-	-	-	117,795,399
Transfer in (out)	-	-	-	21,449,323	7,755,065	462,803	-	-	-	-	(29,667,191)	-
Disposals	-	-	-	-	(7)	(1)	(2)	-	-	-	-	(10)
Depreciation	-	-	-	(6,096,101)	(19,806,773)	(805,409)	(993,942)	(421,548)	(483,904)	(905,452)	-	(28,607,677)
Net book value, end of year	62,007,618	117,795,399	179,803,017	97,312,117	113,638,503	2,275,652	2,693,428	2,392,693	3,503,999	5,896,692	11,543,037	413,162,446
As at 31 December 2021												
Cost	65,875,234	117,795,399	183,670,633	155,082,048	401,220,689	10,359,423	11,281,243	4,530,840	4,843,157	9,373,997	11,543,037	782,531,070
Less Accumulated depreciation	(3,867,616)	-	(3,867,616)	(57,769,931)	(287,582,186)	(8,083,771)	(8,587,815)	(2,138,147)	(1,339,158)	(3,477,305)	-	(369,368,624)
Net book amount	62,007,618	117,795,399	179,803,017	97,312,117	113,638,503	2,275,652	2,693,428	2,392,693	3,503,999	5,896,692	11,543,037	413,162,446

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During the current year, the Company arranged for an independent professional valuer to reappraise the value of its land. The revaluations were conducted on 27 September 2021, using the sale comparison approach, the results of which showed an increase in the net book value of the land of Baht 117.8 million. The Company recorded the resulting revaluation increase in other comprehensive income and the cumulative increase is recognised as the “Revaluation surplus on assets” in the shareholders’ equity.

Revaluation surplus on assets

Revaluation surplus on assets is the surplus from land appraisal as of 31 December 2021, as follows:

	In Baht
Revaluation surplus on assets	117,795,399
<u>Less Deferred tax liabilities</u>	<u>(23,559,080)</u>
Net book value	<u>94,236,319</u>

The revaluation surplus on assets of such assets cannot be deducted from accumulated losses and not available for dividend distribution.

As at 31 December 2021, the Company had machineries, equipment and vehicles acquired under finance lease agreements, with net book value amounting to approximately Baht 5.9 million (2020: Baht 6.2 million).

As at 31 December 2021, certain assets of the Company have been fully depreciated but still in use, having gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 239.3 million (2020: Baht 230.2 million).

15. COMPUTER SOFTWARE

The net book value of computer software as at 31 December 2021 and 2020 is presented below.

	In Baht	
	Separate financial statements	Consolidated and Separate financial statements
	2021	2020
As at 1 January		
Cost	10,037,093	7,550,883
<u>Less Accumulated amortization</u>	<u>(6,719,796)</u>	<u>(6,041,293)</u>
Net book value	<u>3,317,297</u>	<u>1,509,590</u>
Transactions during the year ended 31 December		
Net book value, beginning of year	3,317,297	1,509,590
Acquisition of computer software	2,256,670	2,498,809
Amortization	<u>(930,163)</u>	<u>(691,102)</u>
Net book value, end of year	<u>4,643,804</u>	<u>3,317,297</u>
As at 31 December		
Cost	12,293,763	10,037,093
<u>Less Accumulated amortization</u>	<u>(7,649,959)</u>	<u>(6,719,796)</u>
Net book value	<u>4,643,804</u>	<u>3,317,297</u>

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16. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at 31 December 2021, the Company has the facilities available with bank overdrafts and short-term loans from local banks in amount of Baht 128.9 million (2020: Baht 125.4 million), the facilities available with bank overdrafts and short-term loans are unsecured.

17. OTHER PAYABLES

	In Baht	
	Separate financial statements	Consolidated and Separate financial statements
	2021	2020
Advance received from sales of goods	17,088,452	2,051,273
Payable from acquisition of assets	2,263,840	6,375,389
Accrued expense	5,171,464	5,062,655
Other taxes	3,027,469	2,652,313
Total	27,551,225	16,141,630

Advance received from sales of goods as at 31 December 2020 is recognized as revenue in 2021 in the amount of Baht 2.1 million.

18. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

	In Baht			
	Minimum installments amount		The present value of minimum installments amount	
	Separate financial statements	Consolidated and Separate financial statements	Separate financial statements	Consolidated and Separate financial statements
	2021	2020	2021	2020
Within 1 year	922,744	2,171,220	801,198	1,896,250
Over 1 to 5 years	793,728	1,270,138	714,609	1,123,756
Total	1,716,472	3,441,358	1,515,807	3,020,006
Less Deferred interest	(200,665)	(421,352)	-	-
Net	1,515,807	3,020,006	1,515,807	3,020,006

The Company has entered into hire purchase agreements with leasing companies for rental of machinery and vehicles for use in the operation, whereby it committed to pay fixed rental on a monthly basis. The terms of the agreements are generally between 3 to 5 years.

The following are the amounts for the years ended 31 December 2021 and 2020 regarding the lease agreements recognised in profit or loss:

	In Baht	
	Consolidated and Separate financial statements	
	2021	2020
Depreciation of right-of-use assets	905,452	906,978
Interest expense from lease liabilities	139,709	217,419
Total	1,045,161	1,124,397

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19. PROVISION

Provision is accrued product warranty can be analysed as follows:

	In Baht	
	Separate financial statements	Consolidated and Separate financial statements
	2021	2020
Balance as at 1 January	666,593	449,950
Recognition during the year	986,052	794,895
Revert	(319,392)	(166,821)
Decrease during the year	(597,532)	(411,431)
Balance as at 31 December	735,721	666,593

20. EMPLOYEE BENEFIT OBLIGATIONS

Movement in the present value of the defined benefit obligations:

	In Baht	
	Separate financial statements	Consolidated and Separate financial statements
	2021	2020
Defined benefit obligations at 1 January	28,960,814	26,057,819
Included in profit or loss:		
Current service cost	2,858,206	2,899,130
Interest cost	336,121	378,050
Included in other comprehensive income:		
Actuarial losses (gain) arising from		
Financial assumptions changes	(1,919,092)	(1,005,579)
Demographic assumptions changes	709,377	-
Experience adjustments	356,571	1,695,502
Total	(853,144)	689,923
Benefits paid during the years	(782,238)	(1,064,108)
Defined benefit obligations at 31 December	30,519,759	28,960,814

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	In Baht	
	Consolidated and Separate financial statements	
	2021	2020
Costs of sales	1,445,927	1,339,367
Selling expenses	603,904	675,327
Administrative expenses	1,144,496	1,262,486
Total expenses recognised in profit or loss	3,194,327	3,277,180

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The Company expected to pay Baht 0.4 million of long-term employee benefits during the next year (2020: Baht 2.9 million)

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefits is 8 years (2020: 9 years).

Principal actuarial assumptions at the reporting date

For the years ended 31 December 2021 and 2020:

	Consolidated and Separate financial statements	
	2021	2020
Discount rate	1.67% per annum	1.16% per annum
Salary increase rate	2.5 - 4.0% per annum	2.5 - 4.0% per annum
Employee turnover rate	Scale related to Age ranging from 0 - 15%	Scale related to Age ranging from 0 - 21%
Mortality rate	According to Thailand TMO 2017 male and female tables	According to Thailand TMO 2017 male and female tables

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Effect on the non-current provisions for defined benefit plans at 31 December:

	In Baht			
	Consolidated and Separate financial statements			
	2021		2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(1,334,669)	1,438,858	(1,271,293)	1,375,117
Salary Increase Rate (0.50% movement)	1,342,301	(1,259,479)	1,274,378	(1,192,526)
Turnover Rate (10% movement)	(999,164)	1,068,468	(1,039,135)	1,123,441

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

21. SHARE CAPITAL AND DIVIDENDS PAID

	Authorised shares capital		Issued and paid-up share capital		Premium on share capital
	Shares	In Baht	Shares	In Baht	In Baht
As at 1 January 2021	624,000,000	156,000,000	616,465,661	154,116,415	207,579,025
During the current year					
5 August 2021 decrease in share capital	(7,534,339)	(1,883,585)	-	-	-
6 August 2021 increase in share capital	236,133,046	59,033,262	-	-	-
As at 31 December 2021	<u>852,598,707</u>	<u>213,149,677</u>	<u>616,465,661</u>	<u>154,116,415</u>	<u>207,579,025</u>
As at 31 December 2020	<u>624,000,000</u>	<u>156,000,000</u>	<u>616,465,661</u>	<u>154,116,415</u>	<u>207,579,025</u>

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Warrants

Information about issuance and offering of warrants to purchase ordinary shares of the Company No. 2 (PIMO-W2) are as follows:

Warrants issue date	12 May 2021
Offering method	Offering of warrants to the existing shareholders in proportion to their shareholding to shareholders whose names were listed in the share register book on the record date as of 6 May 2021 with the ratio of 7 existing ordinary shares to 2 units of warrant, with no offering price
No. of warrants (Unit)	176,131,436 Unit
Term of warrants	2 years from the issuance date of warrants (12 May 2021)
Exercising period	Exercise rights 4 times on 27 January 2022 / 27 July 2022 / 27 January 2023 and 11 May 2023
Exercise price per share	Baht 1.75 per share
Exercise ratio	Exercising the warrant at the ratio of 1 unit warrant per 1 unit ordinary share

DIVIDENDS

	Approved by	In Baht	
		Dividend paid	Dividend per share
Dividend for the period from the operating results 1 July 2020 to 31 December 2020	Annual General Meeting of the shareholders on 27 April 2021	20,959,832	0.034
Dividend for the period from the operating results 1 January 2021 to 30 June 2021	Board of Directors' Meeting dated 10 August 2021	11,096,091	0.018
Total payment of dividends during the year 2021		<u>32,055,923</u>	
Dividend for year 2019	Annual General Meeting of the shareholders on 23 April 2020	11,095,108	0.018
Dividend for the period from the operating results 1 January 2020 to 30 June 2020	Board of Directors' Meeting dated 13 August 2020	11,096,376	0.018
Total payment of dividends during the year 2020		<u>22,191,484</u>	

On 27 April 2021, the Company's The Ordinary General Meeting of Shareholders approved

- Approved the decrease of the Company's registered capital of 7,534,339 units by eliminating the unissued ordinary shares, which are the remaining shares from the allocation to support the exercise of the Warrants to purchase ordinary shares of the Company (PIMO-W1) from the existing registered capital of Baht 156,000,000.00 to Baht 154,116,415.25 divided into 616,465,661 ordinary shares with a par value of Baht 0.25 per share. The Company registered the decrease of its capital with the Ministry of Commerce on 5 August 2021.
- Approved the issuance and offering of warrants to purchase ordinary shares of the Company (PIMO-W2) in the amount of not more than 176,133,046 units to be offered to the existing shareholders in proportion to their shareholding without charge in the ratio of 7 existing ordinary shares per 2 units of warrant. In the event that there are fractions that arise from the calculation, they shall be ignored. The exercise price is 1 unit of warrant per 1 ordinary share and the exercise price of the warrant is Baht 1.75. The warrants will be valid for 2 years from the date of issue.
- Approve the increase of the Company's registered capital in the amount of Baht 59,033,261.50 by issuing ordinary shares to accommodate the exercise of the warrants to purchase ordinary shares of the Company No. 2 (PIMO-W2) in the amount not more than 176,133,046 shares and to support the increase of capital under General Mandate to specific investors (Private Placement) of not more

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than 60,000,000 shares with a par value of Baht 0.25 per share from the existing registered capital of Baht 154,116,415.25 to Baht 213,149,676.75 divided into 852,598,707 ordinary shares with a par value of Baht 0.25 per share. The Company registered the increase of its capital with the Ministry of Commerce on 6 August 2021.

- Approved the payment of dividends at Baht 0.034 per share for 616 million shares totaling Baht 21.0 million, from the operating results for the period from 1 July 2020 to 31 December 2020. The Company pay such dividends on 25 May 2021.

Board of Directors' Meeting dated 10 August 2021, the Board of Directors approved the payment of interim dividends at Baht 0.018 per share for 616 million shares totaling Baht 11.1 million, from the operating results for the period from 1 January 2021 to 30 June 2021. The Company pay such dividends on 8 September 2021.

22. LEGAL RESERVE

Under the provisions of the Limited Public Company Act B.E 2535, the Company is required to appropriate at least 5% of its annual net income after deduction of the deficit brought forward (if any) as legal reserve until the reserve equal to 10% of authorized share capital. The reserve is not available for dividend distribution. In 2021, the Company has allocated a legal reserve amounting to Baht 5.7 million, the statutory reserve has fully been set aside.

23. OTHER INCOME

Other income for the years ended 31 December 2021 and 2020 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Revenue from scrap sales	23,865,732	11,897,024	23,865,732	11,897,024
Gain on foreign exchange rate	10,520,877	1,880,897	10,520,877	1,880,897
Tax credit certificate income	3,015,343	1,015,324	3,015,343	1,015,324
Profit from disposal of other financial assets	472,331	370,906	472,331	370,906
Unrealized gain from changes in fair value of other current financial assets	8,440	693,787	8,440	693,787
Other income	1,788,585	1,131,180	1,705,353	1,131,180
Total	39,671,308	16,989,118	39,588,076	16,989,118

24. NET PROFIT FROM DISSOLUTION OF SUBSIDIARY

Net loss from dissolution of subsidiary for the year ended 31 December 2021 and 2020 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Reversal allowance for expected credit loss				
- Loan to subsidiary (Note 6.2)	-	-	1,059,397	-
Loss from dissolution of subsidiary (Note 13)	-	-	(1,083,399)	-
Net	-	-	(24,002)	-

For the year ended 31 December 2021 and 2020, the subsidiary did not have an operations. The major class of asset of the subsidiary is cash and cash equivalents amount to Baht 0.04 million and liabilities comprised of other payables amount to Baht 0.02 million as of 2 July 2021 (registered dissolution date).

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
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25. INCOME TAX

Income tax expenses for the years ended 31 December 2021 and 2020 are as follows:

	In Baht	
	Consolidated and Separate financial statements	
	2021	2020
Current income tax		
Corporate income tax charge for the year	23,369,303	1,693,545
Deferred tax		
Relating to origination and reversal of temporary differences	(743,982)	(671,604)
Tax expense presented in profit or loss	<u>22,625,321</u>	<u>1,021,941</u>
Other comprehensive income tax that will not be reclassified subsequently to profit or loss.		
Deferred tax on gain loss from revaluation surplus on assets	<u>23,559,080</u>	<u>-</u>
Deferred tax on actuarial gain (loss)	<u>170,629</u>	<u>(137,985)</u>
Reconciliation of effective tax rate:		

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Accounting profit before corporate income tax	124,718,461	80,461,662	124,276,184	80,456,409
Applicable tax rate	20%	20%	20%	20%
Accounting profit before corporate income tax multiplied by applicable tax rate	24,943,692	16,092,333	24,855,237	16,091,282
Effects of:				
Addition expenses deductible for tax purposes	(578,438)	(1,332,307)	(578,438)	(1,332,307)
Expenses not deductible for tax purposes	443,014	1,052,557	443,014	1,052,557
Promotional privileges	(1,350,510)	(14,117,987)	(1,350,510)	(14,117,987)
Other	(88,455)	(1,051)	-	-
Total	<u>(1,574,389)</u>	<u>(14,398,788)</u>	<u>(1,485,934)</u>	<u>(14,397,737)</u>
Relating to origination and reversal of temporary differences	<u>(743,982)</u>	<u>(671,604)</u>	<u>(743,982)</u>	<u>(671,604)</u>
Income tax expense reported in the statement of comprehensive income	<u>22,625,321</u>	<u>1,021,941</u>	<u>22,625,321</u>	<u>1,021,941</u>

For the year ended 31 December 2020, the Company's income tax rate was lower than the statutory income tax rate of 20%, because the Company had income tax privileges for business under the investment promotion. The Company has fully exercised the tax privileges in the fourth quarter of 2020. For the year ended 31 December 2021, the Company has certain income tax privileges for business under the investment promotion, which the Company has been approved for a promotional certificate on 2 September 2021.

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The components of deferred income tax assets and deferred income tax liabilities are as follows:

	In Baht	
	Separate financial statements	Consolidated and Separate financial statements
	2021	2020
Deferred tax assets		
Allowance for doubtful accounts - other receivables	340,765	361,161
Allowance for obsolescence of inventories	1,439,467	1,291,038
Employee benefit obligations	6,103,952	5,792,163
Provisions	147,144	133,319
Total deferred tax assets	8,031,328	7,577,681
Deferred tax liabilities		
Revaluation surplus on land	23,559,080	-
Finance lease	876,177	858,814
Unrealized gain from changing value on other financial assets	1,688	138,757
Total deferred tax liabilities	24,436,945	997,571
Deferred tax assets (liabilities) - Net	(16,405,617)	6,580,110

26. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares during the year.

For the diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company's dilutive potential ordinary shares is stock warrants.

The calculation of dilutive potential ordinary shares is done to determine the number of shares that could have been acquired at market price (determined as the average share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding stock warrants. The calculation serves to determine the unpurchased shares to be added to the ordinary shares outstanding for the purpose of computing the dilution, no adjustment is made to net profit.

	Consolidated financial statements					
	Profit for the year (In Baht)		Weighted average number of ordinary shares (Shares)		Earnings per share (In Baht)	
	2021	2020	2021	2020	2021	2020
Basic earnings per share						
Profit attributable to equity holders of the Company	102,093,140	79,439,721	616,465,661	616,465,661	0.166	0.129
Effect of dilutive potential ordinary shares						
Warrants			92,932,014	-		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	102,093,140	79,439,721	709,397,675	616,465,661	0.144	0.129

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	Separate financial statements					
	Profit for the year (In Baht)		Weighted average number of ordinary shares (Shares)		Earnings per share (In Baht)	
	2021	2020	2021	2020	2021	2020
Basic earnings per share						
Profit attributable to equity holders of the Company	101,650,863	79,434,468	616,465,661	616,465,661	0.165	0.129
Effect of dilutive potential ordinary shares						
Warrants			92,932,014	-		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	101,650,863	79,434,468	709,397,675	616,465,661	0.143	0.129

27. EXPENSES BY NATURE

Significant expenses by nature for the years ended 31 December 2021 and 2020 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Changes in finished goods and work in process	(62,059,722)	(3,965,914)	(62,059,722)	(3,965,914)
Raw materials and consumable used	712,469,951	500,959,339	712,469,951	500,959,339
Employees costs and managements' remuneration	154,967,612	146,971,302	154,967,612	146,971,302
Depreciation and amortization	29,180,637	26,522,028	29,537,840	26,536,498

28. PROVIDENT FUND

The Company and its employees established a contributory registered provident fund in accordance with the Provident Fund Act, B.E.2530. The Company and its employees contribute monthly the amounts equivalent 2% of their basic salaries. The provident fund has been managed by Kasikorn Asset Management Co., Ltd. The fund contributed to employee in accordance with the terms and conditions prescribed following the provident fund. During the year 2021, the Company's contribution to the provident fund recorded amounting of Baht 1.4 million (2020: Baht 1.3 million).

29. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The operations of the Company involve the single industry segment of manufacturing and distributing electric motors categorized by motor product groups as follows:

- 1.) Air conditioner electric motors
- 2.) Induction motors
- 3.) Pumps, dewatering, centrifugal pump, motors for pools and spas and motor home pumps
- 4.) Other sales income

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For the years ended 31 December 2021 and 2020, the Company has revenue from sales classified by product groups as follows:

	In Baht	
	Consolidated and Separate financial statements	
	2021	2020
Air conditioner electric motors	270,300,723	235,833,900
Induction motors	90,659,250	75,804,905
Pumps, dewatering, centrifugal pump, motors for pools and spas and motor home pumps	622,526,175	479,716,870
Other sales income	7,426,659	4,405,316
Total revenue	990,912,807	795,760,991

The Company recognizes revenues at the point in time from domestic sale and export sale. The Company classified the information according to the revenue from domestic sale and export sale. For the year ended 31 December 2021, export revenue was 53% (2020: 48%) of total revenues.

Major customers

In 2021, the Company has revenue from two major customers, represented at 41% of total revenues (2020: the Company has revenue from two major customers, represented at 42% of total revenues).

30. PROMOTIONAL PRIVILEGES

The Company was granted certain privileges on its manufactures and distributing electric motors pursuant to the Investment Promotion Act B.E. 2520, for the period during 2019-2024 totaling 3 certificates, subjected to certain imposed conditions, the privileges included among the others as follows:

- (a) an exemption from payment of import duty on machinery approved by the Board of Investment.
- (b) According to the promotion certificate No. 62-0961-1-07-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 100% of the investment in automation or robot systems for improving production efficiency, excluding land and working capital and 50% of the investment value in renewable energy systems, excluding the cost of land and working capital is for 3 years, with the exempted corporate income tax not exceeding Baht 22.6 million from the date of income after receiving the promotional certificate (4 September 2019). In 2020, the company has already used tax privilege in the amount of Baht 16.1 million, which is up to the amount of tax according to the right that the Company has invested.
- (c) According to the promotion certificate No. 64-0861-1-04-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 50% of the investment in production efficiency improvement for renewable energy use, excluding the cost of land and working capital is for 3 years, with the exempted corporate income tax not exceeding Baht 3.9 million from the date of income after receiving the promotional certificate (2 September 2021). In 2021, the Company has already used tax privilege in the amount of Baht 1.4 million.
- (d) According to the promotion certificate No. 64-0862-1-00-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 100% of the investment in manufacturing motors for electrical appliances category 5.2.3 Compressor and/or Motor manufacturing business for electrical appliances, excluding the cost of land and working capital is for 3 years, with the exempted corporate income tax not exceeding Baht 15.8 million from the date of income after receiving the promotional certificate (2 September 2021). In 2021, the Company has not exercised such tax privileges.

As a promoted industry, the Company must comply with certain conditions and restrictions provided for the promotional certificate.

**PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
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Sales classified as promoted and non-promoted business for the years ended 31 December 2021 and 2020 are summarised as follows:

Separate financial statements

	In Baht					
	Promoted business		Non-promoted business		Total	
	2021	2020	2021	2020	2021	2020
Sales	26,680,270	739,405,926	964,232,537	56,355,065	990,912,807	795,760,991
Other income	1,122,009	15,785,964	38,466,067	1,203,154	39,588,076	16,989,118
Total	27,802,279	755,191,890	1,002,698,604	57,558,219	1,030,500,883	812,750,109

31. COMMITMENTS AND CONTINGENT LIABILITIES

31.1 Capital commitments

As at 31 December 2021, the Company had capital commitments of approximately Baht 5.7 million (2020: Baht 12.3 million), relating to the equipment, building and computer software.

31.2 Guarantees

As at 31 December 2021, the Company has contingent liabilities from letters of guarantee issued by banks for the payment of electricity amounting to Baht 1.3 million (2020: Baht 2.2 million).

32. FAIR VALUE OF FINANCIAL INSTRUMENTS

As at 31 December 2021 and 2020, the Group had certain assets that were measured or disclosed at fair value on a recurring basis using different levels inputs as follows:

	In Million Baht							
	Consolidated and Separate financial statements							
	2021				2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Short-term investments								
Unit Trust	-	38.6	-	38.6	-	141.0	-	141.0
Land	-	179.8	-	179.8	-	-	-	-

33. FINANCIAL INSTRUMENTS

33.1 Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

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Credit risk

Trade and other accounts receivables

The Company was exposed to credit risk. However, due to the large number and diversity of the entities comprising the Company's customer base, The Company does not anticipate material losses from its debt collection. The Company estimated the allowance for doubtful accounts from the ending balance of accounts receivable. The estimate was made by considering the customer's past collection experiences. An impairment analysis is performed at each reporting date to measure expected credit losses. The provision for expected credit losses rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other receivables are written-off in accordance with the Company's policy.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. Investments are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate risk through a counterparty's potential failure to make payments.

Interest rate risk

The Company was exposed to interest risks because it held deposits at financial institutions. However, the Company believed that the future fluctuation on market interest rate would not provide significant effect to their operation and cash flow; therefore, no financial derivative was adopted to manage such risks.

Liquidity risk

The Company's monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations including providing short-term credit lines from various banks to back up if necessary and to mitigate the effects of fluctuations in cash flows.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities as at 31 December 2021 based on un discounted contractual cash flows to present value. It can be represented as follows:

	In Baht			
	Separate financial statements			
	Less than 1 year	1 to 5 years	> 5 years	Total
Financial liabilities				
Trade accounts payable	252,403,800	-	-	252,403,800
Other payables	27,551,225	-	-	27,551,225
Liabilities under lease agreements	922,744	793,728	-	1,716,472
Total financial liabilities	280,877,769	793,728	-	281,671,497

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Foreign currency risk

The Company has significant exposures to market risks from changes in foreign exchange rates. The Company uses forward exchange contracts to mitigate those risks.

As at 31 December 2021 and 2020, the Company has no outstanding forward exchange contracts.

As at 31 December 2021 and 2020, assets and liabilities of the Company which are not hedged as follows:

	Currencies	2021		2020	
		Amount	Equivalent to approximately (In Million Baht)	Amount	Equivalent to approximately (In Million Baht)
Cash and cash equivalents	U.S. Dollars	77,851	2.6	913,987	27.3
Trade accounts receivable	U.S. Dollars	1,880,094	62.6	1,611,754	48.1
Trade accounts receivable	A.U.Dollars	149,302	3.5	266,813	6.0
Trade accounts payable	U.S. Dollars	399,458	13.4	162,297	4.9
Trade accounts payable	A.U.Dollars	3,200	0.1	3,200	0.1
Payable from acquisition of assets	U.S. Dollars	-	-	6,596	0.2

The sensitivity of the Company's profit before tax to a reasonably possible change in the U.S. Dollars and A.U. Dollars exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities as at 31 December 2021. The Company's exposure to foreign currency changes for all other currencies is not material.

Currency	Change in FX rate	Effect on profit before tax
	(%)	(Million Baht)
U.S. Dollars	+10	5.2
	- 10	(5.2)
A.U. Dollars	+10	0.3
	- 10	(0.3)

33.2 Fair value of financial instruments

Since the majority of the Company's financial instruments are short-term in nature, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

A fair value is the amount for which an asset can be exchanged between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

34. CAPITAL MANAGEMENT

The primary objective of the Group capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

As at 31 December 2021, debt to equity ratio in the consolidated and separate financial statements is 0.50 : 1 (2020: The consolidated and separate financial statements: 0.48 : 1).

**PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
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FOR THE YEAR ENDED 31 DECEMBER 2021**

35. EVENT AFTER THE REPORTING PERIOD

- 35.1 On 27 January 2022, the shareholders exercised their right to offering of warrants to purchase ordinary shares of the Company (PIMO-W2) 17,947,827 ordinary shares, which 1 ordinary share at an exercise price of Baht 1.75 in amount of Baht 31.4 million causing the paid-up capital from the original amount of Baht 154,116,415.25 (divided into 616,465,661 ordinary shares with a par value of Baht 0.25) to the paid-up capital of Baht 158,603,372 (divided into 634,413,488 ordinary shares with a par value of Baht 0.25 per share). The Company registered the increase of paid-up capital with the Ministry of Commerce on 10 February 2022.
- 35.2 On 24 February 2022, the Board of Directors meeting passed a resolution to propose to the Annual General Meeting of Shareholders that a dividend of Baht 0.063 per share, a total of Baht 38.8 million, is to be paid to the shareholders for the year 2021. The Company already paid an interim dividend of Baht 0.018 per share, a total of Baht 11.1 million. The dividend to be paid is Baht 0.045 per share, a total of Baht 27.7 million.

36. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 24 February 2022.

Attachment 1

1. Information of Directors, Executives, Persons with Controlling Authority (if any), Persons assigned the highest responsibility in Accounting and Finance. and company secretary

1.1 Details of Executive Directors Controlling person (if any) who is assigned the highest responsibility in accounting and finance. and company secretary according to the following table

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
1	Mr. Satian Pooprasert Chairman of the Board (Appointed on April 29, 2015) (Original Name - Surname) - none -	70	- Bachelor's degree Doctor of Medicine Ramathibodi Hospital	None	None	Listed Company 3 companies	2018 - present	Vice-Chairman of the Board of Directors	Praram 9 Hospital PCL.	-Hospital
			- Certificate American Board of Internal Medicine				2015- Present	Chairman of the Board of Directors	Pioneer Motor Plc.	- Manufacture, sale and export of motors
			- Diploma (Internal Medicine Specialist) Resident in Internal Medicine at Christ's Hospital, Oaklawn, Illinois, U.S.A July 1979 - June 1992			General company 1 company	2012- Present	Director	Major Cineplex Group Plc.	-Entertainment services
							2010 - 2014	Director	The Foundation of International Education (FTE).	-Educational institutions
			- Diploma American Board Rheumatology (Rheumatism Specialist) Fellow in Rheumatology at Lome University, California, U.S.A.				2005 - 2006	Committee	Thailand Center of Excellence for Life Sciences.	- Life science business and industry
			<u>Training history</u>				2004 - 2006	Committee	Metropolitan Electricity Authority.	State enterprises - electric power
			- <u>Course Certificate</u> Directors Certification Program (DCP) Class 92/2006				2003 - present	Chief Executive Officer	Praram 9 Hospital PCL.	Hospital
							2002 - 2006	Committee	Government Pharmaceutical Organization.	State enterprises Ministry of Public Health

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
							2002 - 2006	Committee	Sports Authority of Thailand.	State enterprises
							2002 - 2006	Executive Committee	Relai (Thailand) Co., Ltd.	Ministry of Tourism& Sports
							1992 - Present	Executive Committee / Board of Directors	Praram 9 Hospital PCL.	Faucet manufacturing and distribution Hospital
2	Mss Jirayong Anuman-Rajadhon	53	<u>Bachelor</u> of Business Administration (Finance), Faculty of Commerce and Accountancy Thammasat University <u>Master</u> of Science (Finance), Faculty of Commerce and Accountancy Thammasat University Postgraduate Diploma Business Administration (Fashion) London College of Fashion, University of the Arts London. <u>Training history</u> - <u>Course Certificate</u> Director Certification Program (DCP) Class 160/2012	None	None	Listed Company 2 company General company 2 company	2019 - present	Director	AUA Language Center	Educational institutions
	Independent Director / Chairman of the Audit Committee / Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee						2019 - present	Director	CPanel Public Company Limited	Manufacture and sale of precast concrete walls
							2016 - present	Director and Managing Director	Brand and Business Ventures Company Limited	Production and distribution of branded bags
							2015 - present	Independent Director / Chairman of the Audit Committee / Chairman of the Risk Management Committee / Member of	Pioneer Motor Public Company Limited	Manufacture, sale and export of motors

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
	(Appointed on April 29, 2015) (Original Name - Surname) - none -		- Advanced Insurance Science Program Class 9 Office of Insurance Commission (OIC)				2015 - 2021	the Nomination and Remuneration Committee Director and Chairman of the Audit Committee	Primo Service Solutions Company Limited	Provide services related to real estate business Including rental service for apartment tenants
							2006 - present	Director and Managing Director	Jay Capital Advisory Company Limited (Formerly known as JD Partner Company Limited)	Financial advisor business
3	Mrs. Pennapha Dhanasarnsilp Director / Independent Director / Audit Committee Director / Chairman of Nomination and Remuneration Committee	67	- <u>Bachelor's degree</u> Faculty of Economics, Chulalongkorn University - <u>Master degree</u> Faculty of Business Administration, Thammasat University - <u>Ph.D.</u> Faculty of Business Administration <u>Training history</u> - <u>Course Certificate</u> Director Accreditation Program(DAP) Class 3/2003	None	None	Listed Company 6 companies General company 3 companies	2021- Present 2020 - present 2019 - Present 2018 - present	Director and Chairman of the Audit Committee Board of Directors Board of Directors Director and Audit Committee Director	Boutique Newcity Public Co., Ltd. American Food Co., Ltd. Gardenia Bakery Trading Co., Ltd Index Living Mall PCL.	Production and distribution of ready-to-wear women's clothing Production of ice cream General wholesales Distribute furniture

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
	(Appointed on April 29, 2015)		- <u>Course Certificate</u> Directors Certification Program (DCP) Class 69/2005, Nova College, USA							
	(Original Name - Surname) Miss Pennapha Lertpradit						2015 - present	Director / Independent Director / Audit Committee Director / Chairman of Nomination and Remuneration Committee	Pioneer Motor PCL.	Manufacture, sale and export of motors
	Mrs. Pennapha Dhanasarnsilp (Continue)						2014 - Present	Director	IV Global Securities Public Company Limited	Investment advisor for individuals and institutions both in the country and abroad.
							2013 - present	Chairman of Nomination and Remuneration Committee / Independent Director / Audit Committee Director	Plan B Media PCL.	Create advertising media, Rent advertising space and time
							2011 - present	Chief Executive Officer	Paint Marketing & Distribution Co., Ltd.	Produce canned fish and instant noodles brand Nissin

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
							2003 - present	กรรมการบริหารและผู้อำนวยการฝ่าย	ICC International Plc.	-Dealer of consumer products
							1996 - 2012	Director	President Rice Products Plc.	Produce & distribute semi-finished food both domestically & internationally
							1990 - 2011	Director	Thai President Foods PCL.	Manufacture and sale of instant noodles
							1990 - 2010	Director	Sahaphat Pibul PCL.	Operating in sales of consumer products
4	Police general. Sakda TechaKriengkrai Director / Independent / Director / Audit Committee Director / Chairman of the Board corporate governance	64	- <u>Bachelor's degree</u> Bachelor's degree in Public Administration (Police) Royal Police Cadet Academy - <u>Master degree</u> Master's Degree in Education (Executive Educational institutions) Khon Kaen University	None	None	Listed Company 1 company General company 0 company	present 2017 - 2018	 Special Advisor	Retire from government service, on pension Royal Thai Police	Government sector Government sector

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
	(Appointed on April 29, 2015) (Original Name - Surname) - none - Police general. Sakda TechaKriengkrai (Continue)		<u>Training history</u> <u>Course Certificate</u> Director Accreditation Program(DAP) Class 116/2015				2016 - 2017 2015 – present 2013 - 2016 2010 - 2013 2008 - 2010	Deputy Inspector General Director / Independent Director / Audit Committee Director Commander of the Royal Deputy commander Provincial Police Commissioner	Royal Thai Police Pioneer Motor PCL Police Cadet Academy Police Region 4 Ubon Ratchathani Province	Government sector Manufacture, sale and export of motors Government sector Government sector Government sector
5	Mr. Wasun Itthirojanakul Director / Chief Executive Officer / Managing Director / Risk Management Committee / Corporate Governance Committee	62	<u>Bachelor's degree</u> Bachelor's degree in Business Administration (Marketing), Rajapark Institute <u>Training history</u> - <u>Course Certificate</u> Director Accreditation Program(DAP) Class 116/2015 - Advance master of Management Class 3 National Institute of Development Administration. - National Defense Course for the Joint State Private Sector Annual	Mrs. Podjamarn Wongsuwan's brother (Person No. 8)	0.46	Listed Company 1 company General company 2 companies	2015 – present 2009 – present 1996 – present	Director / Chief Executive Officer / Managing Director / Risk Management Committee / Nomination and Remuneration Committee Chief Executive Officer Chairman of Executive Committee	Pioneer Motor PCL T.C.Trading House Co., Ltd. Rely (Thailand) Co., Ltd.	Manufacture, sale and export of motors Business selling chemical pumps Operation of faucet manufacturing and distribution business

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
	Mr. Wasun Itthirojanakul (Continue) (Appointed on April 29, 2015) (Original Name - Surname) - none -		Educational institutions 2011-2012 - Senior Management Course Capital Market Academy (CMA) Class 16 Top Executive Program in Commerce and Trade, TEPCOT Class 12, University of the Thai Chamber of Commerce							
6	Mr.Christopher Robert Tape Director / Deputy Managing Director / Executive Director / Risk Management Committee (Appointed on April 29, 2015) (Original Name - Surname) - none -	74	<u>Bachelor's degree</u> Bachelor Technology in Electrical Engineering <u>Training history</u> - <u>Course Certificate</u> Director Accreditation Program(DAP) Class 117/2015	None	0.32	Listed Company 1 company General company 0 company	2014–present 1996–2001 1990–1996	Director / Executive Director / Deputy Managing Director /Risk Management Committee Managing Director & President Managing Director, Indonesia – President & Country Manager	Pioneer Motor PCL Fasco Asia Pacific Co., Ltd ABB Co., Ltd.	Manufacture, sale and export of motors Operate business consulting business Import, manufacture, export and sell transformer products

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
7	Mrs. Nucharat Itthirojanakul Management / Deputy Managing Director in Logistics (Appointed on April 29, 2015) (Original Name - Surname) Miss Nucharat Assawariyachon	69	- <u>High school or equivalent vocational certificate</u> . Saint John's School of Commerce <u>Training history</u> <u>Course Certificate</u> Director Accreditation Program(DAP) Class 114/2015	Sister-in-law of Mr. Wasun Itthirojanakul (Person no. 5)	None	Listed Company 1 company General company 0 company	2014 – present	Deputy Managing Director in Logistics	Pioneer Motor PCL	Manufacture, sale and export of motors
8	Mrs. Podjamarn Wongsuwan Director / Executive Director / Deputy Managing Director in Accounting and Finance	64	- <u>Bachelor's Degree</u> , Faculty of Public Affairs Political Science Thammasat University <u>Training history</u> - <u>Course Certificate</u> Director Accreditation Program(DAP) Class SEC/2015 - <u>Course Certificate</u> STRATEGIC CFO IN CAPITAL MARKET	Sister of Mr. Wasun Itthirojanakul (Person No. 5)	0.64	Listed Company 1 company General company 1 company	2002– present 1999– 2001 1994 – present	Director / Executive Director / Deputy Managing Director in Accounting and Finance Procurement Managing Director	Pioneer Motor PCL Fasco Motors (Thailand) Co., Ltd. Flyus Travel Center Co., Ltd.	Manufacture, sale and export of motors Manufacture and sale of all types of electric motors Selling air tickets and providing tour assistance

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
	(Appointed on April 29, 2015) (Original Name - Surname) Miss Podjamarn Itthirojanakul		PROGRAM - <u>Course Certificate</u> CFO's Orientation Course for New IPOs - <u>Course Certificate</u> Insights into financial analysis of the year 2019- Security Management Program for Advanced Class 11, Foundation for Management for Security - CCC Live Forum # 1 Seminar 2020 on "New Norm of Communication in Digital & Crisis Turbulence" - Course TLCA CFO Professional Development Program (TLCA CFO CPD) No. 2/2020 - Course for Senior Budget Administrator, NSW 7, Bureau of Budget Prime Minister's Office							
9	Miss Sirirat Itthirojanakul	46	- <u>Bachelor degree</u> Bachelor of Commerce and Accountancy (English Program) Bachelor of Business Administration Program (Finance and Banking) Thammasat University	Niece of Mr. Wasun Itthirojanakul (Person No. 5)	10.54	Listed Company 1 company	2005– Present	Director / Executive Director / Assistant Managing Director in Marketing / Company secretary	Pioneer Motor PCL	- Manufacture, sale and export of motors

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
	Director / Executive Director / Assistant Managing Director in Marketing / Company secretary/ Corporate Governance Committee (Appointed on April 29, 2015) (Original Name - Surname) - none -		- <u>Master degree</u> International Business Thunderbird University Arizona, USA <u>Training history</u> - <u>Course Certificate</u> Director Accreditation Program(DAP) Class SEC/2015 - <u>Course Certificate</u> Company Secretary Program Class 64/2015 - Course activity "creating readiness Understand: Sustainability Assessment 2020 " - Course P01: Fundamentals of Business Sustainability (Course S01-S05) - CCC Live Forum # 1 Seminar 2020 on "New Norm of Communication in Digital & Crisis Turbulence"			General company 0 company				
10	Miss Narerat Itthirojanakul- Executive Director / Assistant Managing	44	-Bachelor degree Bachelor of Marketing and E-Commerce Deakin University (Melbourne, Australia) <u>Training history</u> <u>-Course Certificate</u> Director	Niece of Mr. Wasun Itthirojanakul (Person No. 5)	10.54	Listed Company 1 company General company 0 company	2015 – present 2545 - 2558	Executive director/ Assistant Managing Director in Corporate Support Procurement manager	Pioneer Motor PCL Pioneer Motor PCL	- Manufacture, sale and export of motors -Manufacture, sale and export of motors

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
	Director in Corporate Support (Appointed on April 29, 2015)		Accreditation Program(DAP) Class 114/2015 - Course activity "creating readiness Understand: Sustainability Assessment 2020 "				2001-2002	Office of Investment Project Analysis Officer	National Economic and Social Development Parliamentary Sector	Agencies under the office of the Prime Minister
							2001	Export Sales Administration	Fasco Motors (Thailand) Co., Ltd.	Manufacture and sale of all types of electric motors
11	Mr. Papat Itthirojanakul Executive Director / Production Manager (Appointed on April 29, 2015)	31	-Bachelor's degree Bachelor of Business Administration, Nakhon Pathom Rajabhat Institute	Nephew of Mr. Wasun Itthirojanakul (Person No. 5)	10.54	Listed Company 1 company General company 0 company	2015 – present	Executive Director	Pioneer Motor PCL	-Manufacture, sale and export of motors
							2013 – present	Production Manager	Pioneer Motor PCL	-Manufacture, sale and export of motors
12	Mrs. Panun Pongpanich - Accounting and Finance	47	- <u>Bachelor's degree</u> Bachelor of Business Administration, Nakhon Pathom Rajabhat Institute <u>Training history</u> - Course Certificate Summary TFRS for PAEs Need to Know and Changes in 2021	None	0.03	Listed Company 1 company General company 0 company	2002 - present	Accounting and Finance	Pioneer Motor PCL	Manufacture, sale and export of motors

No.	Name / Position	Age (Yr)	Education	Family relation with Executives	% shares held (%)	Number of companies that holds director position	Work experience in the past 5 years			
							Period	Position and name of organization / company	Type of business	Period
	(Original Name - Surname) Miss Panun Soisian		- Course Certificate Producing effective management financial reports by developing skills in presenting Financial Highlights and Performance Highlights - Course Certificate M&A trend direction, important issues to consider and M&A strategy							

Remark: Mr. Wirat Chanpanit does not wish to resume his position as a director of the Company and vacate his position as a director of the Company and there is no replacement, effective from 24 April 2019 onwards

1.2 Duties and Responsibilities of Company Secretary

The Board of Directors Meeting No. 1/2015 (after conversion) on April 29, 2015 resolved to appoint Ms. Sirirat Ithirojanakul as the Company's secretary who is knowledgeable and competent through training in courses related to the performance of duties of the company secretary by having to perform duties with responsibility caution and honesty. According to the Securities and Exchange Act (No. 4) B.E. 2551 (2008), Sections 89/15 and Section 89/16, which specifically define the roles, duties and responsibilities of the Company Secretary as follows:

1. Prepare and keep the following documents

(a) register of directors

(b) notice of meeting of the Board of Directors board meeting minutes and the company's annual report

(c) invitation letter for a shareholders' meeting and the minutes of the shareholders' meeting

2. Keep the stakeholder report reported by directors or executives

3. Submit a copy of the report of stakeholding under Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 working days from the date the company receives the report. And the company must have a document retention system or evidence related to the disclosure and take care to keep it accurate, complete and can be inspected within a period of not less than 10 years from the date of preparation of such documents or information.

4. Perform other actions as announced by the Capital Market Supervisory Board.

5. Company secretary must perform duties responsibly caution and honesty as well as to comply with the law, objectives, and articles of association of the Company Board resolution as well as shareholders' resolutions by

5.1 Decisions must be made on the basis of what in good faith believes to be sufficient.

5.2 The decision was made without any interest whether directly or indirectly in the matter of that decision.

5.3 Acting in good faith for the best interest of the company is important.

5.4 Act with a legitimate and appropriate purpose and does not act in any way that is inconsistent with or conflicts with the interests of the Company in a significant way

5.5 Do not take advantage of use of company information that has been known unless it is information that has been disclosed to public or use the Company's assets or business opportunities in a manner that violates the rules or general practice as prescribed in the notification of the Capital Market Supervisory Board.

5.6 Not entering into any agreement or contract which may cause conflict of interest with the Company or its employees or customers. It is also contrary to the treatment of their duties.

Principles in the work of the company secretary

The company secretary must perform duties responsibly caution and honesty as well as to comply with the law, objectives, and articles of association of the Company Board resolution as well as shareholders' resolutions by

1. Decisions must be made on the basis of a good faith belief that they are sufficient.

2. The decision was made without any stakeholder whether directly or indirectly in the matter.

3. Act in good faith for the best interest of the company as a priority.

4. Act with reasonable and appropriate aims and do not act that is in conflict or in conflict with the interests of the Company in a significant way.

5. Do not take advantage of the use of company information that has been known unless it is information that has been disclosed to the public or use the Company's assets or business opportunities in a manner that violates the rules or general practice as prescribed in the notification of the Capital Market Supervisory Board.

Brief history of the company secretary

Ms. Sirirat Itthirojanakul

Education: Bachelor's Degree, Faculty of Commerce and Accountancy (English Program) Bachelor of Business Administration Program (Finance and Banking), Thammasat University
Master's Degree, International Business, Thunderbird University, Arizona, USA

Training course: Director Accreditation Program (DAP) Class SEC / 2015

Company Secretary Program (SCP) Certificate, Class 64/2015

Qualifications: Ability to coordinate summary of issues, the preparation of meeting minutes is flexible in work, creative, good interpersonal skills, leadership, communication techniques and strategic planning.

Attachment 2

Details of the position of the executives and persons with controlling power of the Company in related companies

List of companies	Company
List	PIMO
1.. Mr. Satian Pooprasert	X
2. Mrs. Jirayong Anuman-rajadhon	CAC, //
3. Mrs. Pennapha Dhanasarnsilp	AC, //
4. Police general. Sakda TechaKriengKrai	AC, //
5. Mr. Wasun Itthirojanakul	MD, CEO, /
6. Mr. Christopher Robert Tape	*, M, /
7. Mrs. Nutcharat Itthirojanakul	*, M
8. Mrs. Podjamarn Wongsuwan	*, M, CFO, /
9. Ms. Sirirat Itthirojanakul	M, /, **
10. Ms. Narerat Itthirojanakul	M, **
11. Mr. Papat Itthirojanakul	M, **

Remark: X = Chairman of the Board CAC = Chairman Audit Committee AC = Audit Committee
CEO = Chief Executive Officer MD = Managing Director * = Deputy Managing Director
M = Executive CFO = Chief Financial Officer / = Director // = Independent director
** = Assistant Managing Director

Details about the head of the internal audit and the head of the company's compliance (compliance)

Details of the history and the position of internal auditor

The Company has hired an external agency, Acc-Plus Consultants Company Limited, to be the auditor of the Company's internal control system by the head of the internal control audit team having qualifications, educational background and work experience as follows:

Name-surname / position	Age (years)	Educational qualifications/Training history	Percentage of shareholding in the company (percent)	Family relationship between directors and executives	Work experience in the past 5 years		
					period	position	company
Miss Wanna Maluengnon - Head of Internal Audit at the Audit Committee Meeting It was resolved to appoint Acc-Plus Consultant Co., Ltd. ("Acc-Plus Company Limited"), which is an external organization. (Outsourcing) to perform the duties of an internal auditor of the Company by Acc-Plus Consultant Co., Ltd. has assigned Ms. Wanna Melungnon, the position of Managing Director of Acc-Plus Consultant Co., Ltd.. T is primarily responsible for performing duties as the head of internal audit of the Company.	52	<ul style="list-style-type: none"> - Master's degree in Business Administration, Chulalongkorn University, 1994 - Certificate of Auditing, Thammasat University, 1991 - Bachelor's degree in Accounting, Chulalongkorn University, 1990 - Rajini School, year 1986 <p>Training history :</p> <ul style="list-style-type: none"> - Training Update TFRSs for PAEs and TFRs for NPAEs required and changes in 2021 - Certificate in Risk Management Program for Corporate Leader (RCL5/2016) by Thai Institute of 	None	None	1994 – Present	Managing Director Auditing and evaluating internal control systems, auditing accounts, accounting and consulting services Due Diligence Financial Due Diligence	Acc-Plus Consultant Co., Ltd
					October 2021 -Present	Independent Director and Chairman of the Audit Committee	Sky Tower Public Company Limited
					2018 - present	Director	Siam Biomass Supply Company Limited
					2016 – 2021	Independent Director	Dimet (Siam) Public Company

Name-surname / position	Age (years)	Educational qualifications/Training history	Percentage of shareholding in the company (percent)	Family relationship between directors and executives	Work experience in the past 5 years		
					period	position	company
		<p>Directors Association (IOD)</p> <p>- Internal audit training</p> <p>fraud investigation Organized by the Federation of Accounting Professions</p> <p>- Workshop (Workshop) COSO2013, the latest internal control framework guidelines, version 3/56 organized by Federation of Accounting Professions</p> <p>- Workshop on Risk Assessment Methods for Internal Audit Planning, Class 3/55, organized by the Federation of Accounting Professions</p> <p>- Workshop (Workshop) to evaluate the internal control system in the form of COSO-ERM of each work system (December 2011)</p> <p>- Certificate of Audit Committee Program – ACP Class 42/2013 by Thai Institute of Directors Association (IOD)</p> <p>- Certificate of Director Accreditation</p>			2016 – 2018	<p>and Chairman Audit Committee</p> <p>Chairman of the Board</p>	<p>Limited</p> <p>Ocean Commerce Public Company Limited</p>

Name-surname / position	Age (years)	Educational qualifications/Training history	Percentage of shareholding in the company (percent)	Family relationship between directors and executives	Work experience in the past 5 years		
					period	position	company
		Program – DAP Class 99/2012 by Thai Institute of Directors Association (IOD) - Certified Public Accountant Registration No. 4170					

Duties and Responsibilities of the Head of Internal Audit

Objectives of the Internal Audit

To encourage the management system Internal Control, Reporting and Good Corporate Governance Increase transparency and build confidence for the company's shareholders. Providing internal audit services to consulting companies Therefore, the objective is to verify compliance with the Company's internal control system. Standardized internal audits can provide internal audit results to improve management and the development of various operating processes of the Company to be efficient and effective according to the needs of the Company and in accordance with various legal regulations related.

Scope and responsibility for internal audit control

1. Evaluate the internal control system to summarize the adequacy of the Company's existing internal control system under various circumstances, business plans, and regulations and environmental factors both internally and externally
2. Prepare an internal audit plan for the year 2022 and submit it to the Audit Committee.
3. Verify the Company's operations against manuals, work systems, company policies and regulations related to business according to the core business process to sum up the efficiency and the effectiveness of the internal control system according to the internal audit plan and suggestions on findings from internal audits.
4. Evaluate the quality of the assignments performed. Resource utilization and proper management of resources for both assets and personnel.
5. Evaluate the risk management process that may affect the objectives/goals of the organization which controls corporate/business level risks and operational risks that may arise from both internal and external environmental factors
6. Evaluate development and the use of quality information including the development of technology-controlled activities to help support the achievement of the company's objectives/goals.

Assets used in business operations and details of property appraisals

Table showing the assets of the company used in business as of December 31, 2021

Property type	property	proprietary nature	obligation	net worth As of 31 Dec. 21	property utilization
1. Land	- Land title deed number 5759, land number 188, Khlong Phlu Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 5 rai 2 ngan 74 square wa	own	do not have	179.80	factory building location (Steel Mill, Steel Welding)
	- Land title deed no. 11015, land number 187, Khlong Phlu Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 6 rai 3 ngan 93 square wa	own			Location of warehouse building with mezzanine for raw material store Finished goods stock and building for the production of brushless electric motors for swimming pools.
	- Land title deed no. 65140, land number 539, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 7 rai 0 ngan 43 square wa	own			vacant land
	- Land title deed number 5762, land number 184, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 3 rai 3 ngan 88 square wa	own			Location of the factory building and office office 2 floors
	- Land title deed number 5763, land number 186, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 4 rai 3 ngan 65 square wa	own			cafeteria location
	- Land Title Deed No. 22656, Land No. 185, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 0 ngan 02 square wa	own			Location of a 2-storey office building canteens and guard towers
	- Land Title Deed No. 65141, Land No. 540, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area of 3 rai, 2 ngan, 13 square wa	own			Location of a 2-storey building (dormitory)
	- Land title deed no. 38076, land number 183, Don Faek	own			Location of production building (axis

Property type	property	proprietary nature	obligation	net worth As of 31 Dec. 21	property utilization
	Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 4 rai 0 ngan 13 square wa				department)
	- Land title deed no. 38077, land number 182, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 1 ngan 48 square wa	own			Location of production building (axis department)
	- Land Title Deed No. 64944, Land Number 537, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 2 ngan 08 square wa	own			Location of production building (axis department)
	- Land title deed no. 64947, land number 538, Don Faek Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 0 rai 0 ngan 15 square wa	own			Location of production building (axis department)
2. Buildings and building improvements		own	do not have	97.31	Office / Factory / warehouse building
3. Machinery and factory equipment		own	do not have	117.14	for use in business
4. Office equipment		own	do not have	2.28	for use in business
5. Vehicles		own	do not have	5.09	for use in business
6. Assets under construction and installation		own	do not have	11.54	for use in business

Note: During the current year The Company has provided a land appraisal by an independent appraiser which was assessed on September 27, 2021 using the Sales Comparison Approach. The result of the appraisal showed an increase in land value of 117.8 million baht less deferred tax liabilities. The remaining net book value is 94.24 million baht. The surplus from the revaluation of such assets cannot be deducted from the accumulated loss and cannot be paid as a dividend.

As at December 31, 2021, the Company has rights to use machinery and vehicles acquired under finance lease agreements. The net book value is approximately 5.9 million baht (Year 2020: amount 6.2 million baht). As of December 31, 2020, the Company has certain assets which have been fully depreciated but are still in use. The book value before deduction of accumulated depreciation is 239.3 million baht (year 2020: 230.2 million baht).

Details about the property appraisal list

In the event that the company has shown or wishes to disclose the appraised value, such as showing the appraised price for connected transactions. The company has restructured its business operations. As a result, there is an acquisition or disposition of the property and the intention is to disclose the relevant appraisal value. The company has a new appraisal of assets during the accounting period, etc. The company shall show the details of such appraisal information.

There are important matters as follows:

- (1) Appraisal and appraisal assets which is prepared in advance of the transaction not more than 6 months.
- (2) The name of the person performing the property appraisal, i.e. a financial advisor or a capital market asset appraisal company on the name list approved by the Office; or specialists recognized by the Office, as the case may be.
- (3) The name of the operational supervisor or the main assessor; depending on the case of the person who signs the report which must be on the name list approved by the SEC Office.
- (4) Objectives of the appraisal of the property. This must be for public purposes in the case of a property appraisal report prepared by a capital market valuation company or has the consent of the person performing the property appraisal to publish such opinion in the case of a property appraisal report prepared by a financial advisor or specialist.
- (5) Date of the property appraisal report.

Corporate Governance Policy and Practice and business ethics. The details are as follows.

Scope of application

Pioneer Motor Public Company Limited (“the Company”) has established this Code of Business Conduct as a standard and applicable to directors Executives and employees at all levels of the Company to adhere to the duties assigned as well as encouraging executives to be good role models in performing their duties under business ethics. Executives and employees of the company must acknowledge, understand and strictly adhere to the duties of each person to be efficient, open, transparent, and take into account the best interests of the Company and fair to all groups of stakeholders involved.

- “Executives” means Managing Director or the first four executive position holders from the Managing Director down. All persons holding positions equivalent to those holding four executive-level positions and shall include a person holding an executive position in the accounting or finance line who is a department manager level or higher or equivalent;
- “Employees” means a company employee in a position that is lower than management temporary worker Employees under special contracts and contract employees.

Code of Conduct

1. Conflict of Interest Policy

1.1 Executives

The Company will comply with the regulations of the Stock Exchange of Thailand. The executives must consider conflicts of interest in relation to connected transactions between the Company carefully with honesty, rationally and independently under the framework of good ethics and operate in accordance with the relevant policies taking into account the benefits of the company is the cornerstone to ensure that such transactions are reasonable and it is for the benefit of the Company is the cornerstone.

1.2 Executives and employees

1.2.1 Executives or employees must not do anything else that may conflict with the Company's interests whether directly or indirectly and whether by himself or in conjunction with others whether arising from contact with the Company's trade related parties such as business partners, service recipients, trade competitors or from using opportunities or information obtained from being an employee for personal gain or from doing business in competition with the Company.

1.2.2 Executives or employees must protect the interests of the Company to the fullest potential.

1.2.3 Executives or employees must not be involved in any other business that may affect the interests of the Company or in competition with the Company.

1.2.4 Executives or employees must not work for other people or any other organization which provides compensation during the working hours of the Company unless authorized by the Managing Director or a person assigned by the Managing Director in writing.

2. Policy on the treatment and use of the Company's assets and information/secrets

2.1 All methods, processes, ideas as well as technical knowledge or any other knowledge and/or techniques related to the business, work or operations of the Company due to thought, research, study and/or any other action arising from the performance in accordance with the duties and under the employment contract of executives and employees in all cases. It shall be regarded as the Company's intellectual property at all, regardless of whether it is registered or notified by intellectual property laws or not or a person assigned by the Managing Director in writing.

2.2 Directors, executives, employees or advisors of the Executive Committee agree to treat. All "trade secrets" of the Company that have been known or known as a result of their work for the Company which will not be disclosed, forward to someone who is not involved and necessary or make copies without permission including not to act or refrain from doing anything until causing the status and reputation of the company damage or cause damage to the Company's business including not to undertake employment or to be an executive or employee or provide advice, consultation, assistance or any contract with any legal entity or business of a person who is a trade competitor with the Company or doing business that is the same or similar to the business of the Company.

For the purpose of interpreting this provision "Trade Secrets" means trade information that is not generally known or otherwise inaccessible among individuals who would ordinarily relate to such information. It is commercially useful information. Because it is confidential and information that the company has taken appropriate measures to maintain confidentiality. Trade secrets may be contained in the regulations, contracts or other agreements of the Company that have been set and will continue or as required by the Trade Secret Act B.E. 2545 (including any amendments thereto).

2.3 Directors, executives, employees or advisors of the Executive Committee everyone of the company must keep any "confidence" with the Company of the service recipient, contractual party or business partner or any other person that has been known or has been known as a result of working for the Company. Unless the disclosure of such information is permitted by law or required by law, such as disclosing information by court order or by order of any other government official which the law has authorized.

2.4 Directors, executives, employees or advisors of the Company's Executive Committee must be aware of the procedures Data Security Methods and follow to prevent confidential information from being unintentionally disclosed.

2.5 The Managing Director will approve the information to be taken or disclosed to the public.

2.6 Directors, executives, employees or advisors of the Executive Committee Must not use or use the Company's Internet property for commercial purposes or personal benefit other than for the benefit of the Company directly.

2.7 Directors, executives, employees or advisors of the Executive Committee must strictly adhere to and comply with the Company's computer system policy such as

- Must not interfere with the privacy of others through the Company's computer system in any case.
- Must not access the Company's confidential information contained in the computer system for the benefit of one's own or that of another person. It can only be used where management or employees are directly responsible and used for the performance of their position and responsibilities.
- Must adhere to the rules and regulations governing the use of computer equipment and tools.
- It is forbidden to access information and document files of other users on the computer system without permission.

2.8 Directors, executives, employees or advisors of the Executive Committee must acknowledge and follow the guidelines for using computer systems and information systems correctly and appropriately.

2.9 Do not install computer programs or recorded in the Company's computer system without permission.

2.10 Do not bring computer programs that the company has been authorized to use to any other person. This includes business partners, contract parties, service recipients of the Company and personal installation of software. It also includes employees' use of the Internet or connect to the Internet to transfer data propagation of pornography, sending and receiving information via electronic system (e-mail) that violates the law or the law on copyright or contrary to intent or the purpose of the policy or regulations or the Company's information system policy regulations or violates the Computer Crimes Act B.E. 2550 (including any amendments thereto) or other laws.

2.11 During the performance of the employment contract, directors, executives, employees or advisors of the Executive Committee must not act, refrain or refrain from any action which causes the company has been damaged as a result of false or inaccurate information, news and/or reports or records or communications by any intentional means

2.12 Directors, executives, employees or advisors of the Executive Committee Must not infringe on the Company's intellectual property and/or of the Company any other that allows the Company to make use of such intellectual property either by contract and/or by any means whether repeating or modified to distribute to the public or rent the original or copy whether for profit or not. If an executive or employee violates this code of conduct, the company has the right to terminate the employment contract immediately.

2.13 Directors, executives, employees or advisors of the Executive Committee must use the Company's assets with care, responsibility, maintenance of any tools or equipment received from the company. Always keep the image neat by contacting for repairs when damage occurs.

2.14 Directors, executives, employees or advisors of the Executive Committee must not violate the rules or the order of the company that may cause an accident or causing damage to the Company's assets.

2.15 Directors, executives, employees or advisors of the Executive Committee must protect the Company's assets from being lost or destroyed, even if it is not their direct responsibility.

2.16 Directors, executives, employees or advisors of the Executive Committee must not bring equipment Company assets to use in addition to working for the company.

2.17 The Company has measures to provide information to third parties. In the event that outsiders are involved in consulting work, such as advisors to the board Managing Director Other special advisors Employees and employees of the Company's contractors, etc. The Company has additional requirements in regard to ethical consulting as follows:

- Providing inside information must be within the framework of assigned duties and responsibilities. (Need-to-know basis).
- Entering into a confidentiality agreement (Confidentiality Agreement).
- Perform duties to the best of their ability with impartiality.
- Do not use the information obtained from the performance of duties for self-interest or others unlawfully.

Anyone who violates the insider Information Policy will be subject to disciplinary action and/or law, as the case may be.

3. Policy for giving or receiving gifts or entertainment

3.1 Directors, executives or employees shall not demand, receive or agree to receive money or any other benefits from business related persons.

3.2 Directors, executives or employees may accept or give gifts according to tradition. Accepting the gift must not affect the recipient's business decisions.

3.3 If the executive or employee receives a gift on a traditional occasion with a value beyond the norm from a person involved in business with the Company Provide reports to supervisors in a hierarchical order.

4. Securities Trading and Insider Trading Policy

4.1 Directors and executives are required to report their securities holdings in accordance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

4.2 The Company must comply with the laws regarding the use of inside information by ensuring equality and fairness to all shareholders equally and to prevent illegal acts of personnel at all levels of the Company and all family members who have been informed or may have received inside information that has not yet been disclosed to the public, the Company therefore prohibits such persons from trading in shares or persuading others to buy or sell or offer to buy or offer to sell the Company's shares. Either in person or through a broker while still holding information that has not been disclosed to the public, the Company and the Stock Exchange of Thailand regard such securities trading as speculative trading or to create an advantage for the group. In this regard, directors, executives, employees and employees of the Company who have been informed of material inside information that affect or may affect the change in securities prices must refrain from trading in the Company's securities for at least 24 hours afterwards. Since the company has already disclosed such information to the public.

4.3 The Company has established a security system in the workplace to protect confidential files and documents, and has implemented restrictions on access to non-public information. By making it known only to those involved and necessary, it is the duty of the owner of the information or the holder of information that has not been disclosed to the public to instruct those involved to strictly follow the security procedures. Use of inside information will be subject to disciplinary action and/or law, as the case may be.

5. Policy on internal control and audit systems and accounting and financial reporting

5.1 Policy on Control and Internal Audit

Set up an effective internal control and audit system under the scrutiny of the internal auditors and review of the Audit Committee

5.2 Policy on financial creditworthiness and accounting and financial transactions

5.2.1 The board shall ensure that the financial reporting system and disclosure of important information are accurate, adequate, timely and in accordance with relevant rules, standards and practices. Must ensure that personnel involved in the preparation and disclosure of information have the knowledge, skills and experience appropriate to their responsibilities and there are enough such personnel include the chief executive of the accounting and finance department accountant internal auditor company secretary and investor relations.

5.2.2 The board must monitor the adequacy of financial liquidity and ability to pay debts.

- The board should ensure that the management monitors and assesses the financial position of the business and reports to the board on a regular basis. The board and management should work together to find a solution as soon as possible if there are signs of financial liquidity and debt repayment problems.
- In approving any transaction or submitting an opinion to the shareholders' meeting for approval, the Board of Directors should ensure that such transactions will not affect the continuity of financial liquidity business or the ability to pay debt.

5.2.3 Management of the Company Responsible for the preparation of financial reports that are accurate, complete and timely both annual and quarterly statements which is prepared according to accepted accounting standards.

The accuracy of the recording

- The Company's record of all business transactions must be accurate, complete and can be audited without any limitations or exceptions.
- Business postings and records must be truthful. There is no misrepresentation or making false entries for any purpose.
- Personnel at all levels must carry out business transactions in accordance with the Company's regulations and requirements, including having complete documentary evidence supporting business transactions and provide sufficient and timely useful information. To those who are responsible for recording, preparing and evaluating accounting and financial reports Able to record and prepare all types of accounting and financial transactions of the Company into the Company's accounting system with accurate and complete details.

Accounting and financial reports

- All executives or employees must not misrepresent, conceal information or create false transactions. Whether it is business transactions related to accounting and finance or operational item information.
- All executives or employees should be aware that the accuracy of accounting and financial reports. It is the shared responsibility of the Board of Directors, the management and responsible employees.
- All executives or employees are responsible for processing and/or providing information on business item.

Best Practices on Legal Compliance

- Personnel at all levels involved must comply with relevant legal regulations and requirements both domestically and/or abroad to ensure that the Company's accounting and financial records are accurate and complete.
- Personnel at all levels must adhere to the principles of integrity, impartiality and integrity in record keeping.

6. Policy on Responsibility to Shareholders

- Perform duties with honesty and take any action with fairness to all shareholders.
- Report to shareholders on the status of the organization on a regular basis and completely truthfully.
- Report to shareholders about the future trends of the organization, both in positive and negative aspects with sufficient supporting reasons.

7. Policy on treatment of executives or employees

- Provide fair compensation to executives or employees.
- Appointment and transfer of executives or employees including rewards and punishments must act in good faith and based on knowledge competence and suitability of executives or employees.

- Give importance to the development of knowledge, abilities and skills of employees by providing thorough and consistent opportunities.
- Comply with laws and regulations strictly related to management or employees.

8. Policy on conduct of executives or employees

- Perform duties with determination, honesty and transparency.
- Respect the rights of executives or other employees.
- Supervisors should conduct themselves to be respected by employees and employees should not do anything which is disrespectful to the supervisor.
- Be disciplined and follow the rules of the organization and good traditions whether specified in writing or not.
- Join to create and maintain an atmosphere of unity and solidarity among employees, avoid any action which may affect reputation Company image or a problem for the company later.

9. Corporate Social Responsibility (CSR) Policy

The Company realizes the importance of operating its business for sustainable growth under Corporate Social Responsibilities by emphasizing on operating its business with care for stakeholders, the economy, society and the environment with morality, ethics and codes of conduct. And the company adheres to the principles of corporate governance to comply with the laws related to anti-corruption and bribery which the company hopes that the business operation under social responsibility and anti-corruption and bribery. It will bring benefits to the public along with the growth of the company. At the same time, the Company has formulated a policy of social responsibility and anti-corruption and bribery divided into 6 sections as follows:

Section 1 Fair Business Operations

The company focuses on doing business with honesty, fairness, and ethics according to the framework of competition rules under relevant laws and regulations including ethical principles and the principle of equal competition including denying any behavior anything that impedes fair competition, such as seeking competitors' confidential information, seeking, receiving and giving any benefits that are dishonest in trade, etc. In addition, the Company also respects the intellectual property rights of others, the Company has a policy for its personnel to comply with the laws or requirements related to intellectual property rights, such as the use of computer programs that are legally copyrighted, etc. In addition, the Company has a project Campaign to promote and cultivate the subconscious mind for the Company's personnel at every level to create social responsibility as well.

Section 2 Respecting Human Rights

The company has respect for living things and the human dignity of all people. This is the fundamental right of all people and is the foundation of human resource management and development including building relationships in the society. The Company therefore has a guideline for equality regardless of differences in race, color, sex, language, religion, political beliefs or belief in any other way, national or social background, property, origin or status. Opinions that may bring conflict to the company should be avoided. This is to provide guidelines so that our human rights actions are conducted in ethical approach.

Section 3 Fair Treatment of Labor

The Company recognizes the importance of human resource development and treats workers fairly. This is a factor that will add value to the business and enhance the company's competitiveness and sustainable growth in the future. The Company has set policies and guidelines as follows:

1. Respect the rights of employees according to human rights principles and comply with labor laws.
2. Provide an employment process and fair employment conditions including compensation and consideration of results under a fair performance evaluation process.
3. Promote human resource development by organizing training, seminars, training, including sending personnel to attend seminars and academic training in various fields related to the development of knowledge, abilities, and potential of personnel including instilling good attitude, morality, ethics and teamwork.
4. Provide welfare in various fields for employees as required by law, such as social security, provident fund, etc., and other than those required by law, such as medical benefits, including providing various types of subsidies to employees such as funeral assistance, etc.
5. Focus on organizing the work environment to ensure safety at work and provide welfare such as clean and safe drinking water in the workplace clean bathroom as well as providing various facilities such as Internet services.
6. Operate employees to work safely and good workplace hygiene by providing measures to prevent accidents and enhancing employees' safety awareness including organizing training and encourage employees to have good hygiene and take care of the workplace to be hygienic.
7. Provide opportunities for employees to express their opinions or complaints about unfair practices or improper actions in the Company including providing protection to employees who report such matters.

Section 4 Customer Responsibility

The company cares and is responsible to customers both in terms of product quality good service and standard customer confidentiality and an emphasis on fair and equitable pricing under the available pricing policy.

1. The purchase of goods and services from business partners is subject to commercial terms by strictly complying with the contracts made together to create a relationship that will bring long-term benefits to both parties.
2. Compliance with the borrowing conditions under the existing agreements.
3. Responsible for customers in terms of product quality and providing good and standard services Customer Confidentiality and an emphasis on fair and equitable pricing under the available pricing policy.
4. Compliance with the rules good competition including avoiding dishonest methods to destroy competitors.
5. The Company attaches importance to the supervision of all groups of stakeholders such as customers, employees, trading partners, shareholders or investors, creditors and communities where the Company is located, etc. Stakeholders will be taken care of by the Company according to the rights under the relevant laws, the Company will not take any action which violates the rights of stakeholders under the law or according to the agreements, the Company has considered to have a process to promote stakeholder participation in accordance with the roles and duties that are involved in enhancing the performance of the company in order to operate the Company's business well as well as to create sustainable stability for the business and create fair benefits to all parties. In addition, the Company provides channels for stakeholders to communicate suggest or provide information to the Board of Directors through independent

directors or audit committee of the company considering that there is a process to promote cooperation between the companies with stakeholders in wealth creation financial stability and sustainability of the business as follows

Give importance to employees at all levels of the company by treating employees equally, fairly, and providing compensation that is appropriate to the knowledge and abilities of each employee Along with focusing on continuous development of potential and knowledge including the importance of taking care of the working environment taking into account the safety of work and the quality of life of employees is important.

Give importance and responsibility to the community and nearby society regarding the environment including to support activities for the public benefit of the community as well as to develop the environment of the community and society for a better life by considering as appropriate.

Section 5 Caring for the Environment

The Company attaches great importance to and is responsible to the community and nearby society regarding the environment. The Company strictly complies with the laws, regulations and standards related to environmental management including the implementation and control of compliance with laws related to environmental protection and preventive and corrective measures have been established when there is an impact on the environment due to the Company's operations including the company Resources are used efficiently and cost effectively.

Section 6 Participating in Community or Society Development

The company gives importance and responsibility to the community and society. Therefore, there is a policy to support activities for the public benefit of the community as well as to develop the environment of the community and society for a better life by considering as appropriate.

10. Policy on good corporate governance

Board of Directors must obey the law objectives, regulations and resolutions of the shareholders' meeting of the company including adhering to and abiding by the principles of good corporate governance in accordance with the guidelines set by the Stock Exchange of Thailand as a guideline for the Company's operations to achieve operational efficiency. It also creates transparency to investors, which will create confidence in the Company's business operations for the outsiders. The policy on good corporate governance of the company covers the following five sections:

Section1 The Rights of Shareholders

The Company realizes and emphasizes on the basic rights of the shareholders both as investors in securities and the owners of the company, such as the right to buy, sell, transfer the securities they hold, The right to receive a profit sharing from the company, the right to receive adequate information, the rights in shareholders' meetings, the right to express opinions, the right to make decisions on important matters of the company such as dividend allocation, appointment or removal of directors, auditor appointment and significant transaction approvals that affect the direction of the Company's business operations. This also includes amendments of the Memorandum of Association and the Company's Articles of Association, etc.

The Company has a mission to promote and facilitate the exercise of shareholders' rights as follows:

1. The company will send a meeting invitation letter together with supporting information for each agenda item to the shareholders in advance and advertise it in a newspaper at least 7 days before the meeting date or any other period as

required by law or related regulations. In addition, the company will put the said information posted on the Company's website before the date of the shareholders' meeting.

2. In the event that a shareholder is unable to attend the meeting by himself, the company will allow shareholders to authorize independent directors or any other person to attend the meeting on their behalf.

3. In organizing the shareholders' meeting, the Company will use the place which is convenient for traveling and select the appropriate date and time and allocate sufficient time for the meeting in order to comply with the policy to facilitate the shareholders of the Company.

4. At shareholders' meetings, the company will provide equal opportunities for all shareholders to express their opinions, suggestions or ask questions on related agendas freely before voting on any agenda and there will be directors and executives of the company to answer questions at the meeting.

5. After the shareholders' meeting is completed, the company will prepare accurate and complete recorded minutes of the meeting for shareholders to be able to review. The minutes of the shareholders' meeting are prepared and published on the Company's website and delivered to the relevant government agencies within the time prescribed by the law.

Section2 The Equitable Treatment of Shareholders

The Company has set an equal treatment for all shareholders either it is a major shareholder or a minor shareholder, management shareholders or non-management shareholders, Thai or foreign shareholders with details as follows

1. In conducting each shareholder meeting, the company will provide equal opportunities for all shareholders. Before the start of the meeting the chairman of the meeting will explain how to exercise the right to vote and methods for counting votes. In addition, shareholders and proxies who attended the meeting were also given an opportunity to express their opinions, suggestions and ask questions in each agenda with appropriate and sufficient time. The company will not present any additional agenda items that are not necessary to the meeting especially the agenda of the shareholders' meeting in which the shareholders have to spend sufficient time to study before making a decision.

2. In electing the directors, the Company will allow shareholders to exercise their rights to elect the Company's directors individually. In addition, the Company will allow minority shareholders to nominate persons to be appointed as directors of the Company and announce in advance at a reasonable time with supporting information for the nominee's eligibility and consent.

3. Encourage shareholders to use the proxy forms in a format consistent with the Notification of the Department of Business Development Re: Prescribing Proxy Form (No. 5, 2007) that shareholders can determine the direction of voting, agree, disagree, abstain by preparing Proxy Form A, Form B and Form C (custodian specific proxy form) to the shareholders.

4. Facilitating shareholders who are inconvenient to attend the meeting by themselves but intends to exercise the right to vote by proxy by proposing to have independent directors to attend and vote on behalf of shareholders to facilitate the shareholders, the right to elect any independent director to be a proxy holder on behalf of the shareholder.

5. Promote and encourage the use of ballot papers in shareholders' meetings.

6. The Company has assigned the directors to report their interests in any agenda at least before considering the agendas involved in the Board of Directors' meeting and record such interests in the meeting minutes of the Board of Directors. In

addition, the director who has a significant interest in such a way that he or she will not be able to express independent opinions on the relevant agenda is prohibited from participating in the meeting on that agenda.

7. The Company has set guidelines for the preservation and prevention of the use of material inside information which may have an impact on the price of the Company's securities, forbidding any person or agency with knowledge of inside information from using such information until the company has disclosed such information to the public. The Company also stipulates that the Company's directors, Executive Directors, Executives, employees and advisor to the Executive Committee who have been informed of material inside information and may have an impact on the change of the Company's securities prices must not trade within 30 days before the financial statements or inside information are disclosed to the public and within 24 hours after the said information of the company has been released to the public. In case of violation of the aforementioned provisions, the Company will be considered a disciplinary offense and will consider punishment as appropriate.

Section3 Consideration on the Role of Interested Persons\ and business ethics

The company emphasizes on the rights of all groups of stakeholders whether internal stakeholders which are shareholders and employees or external stakeholders such as business partners, customers, etc. The Company realizes that the support and opinions from all groups of stakeholders will be beneficial in the operation and development of the Company's business. In addition, the Company also takes into account the rights of all stakeholders and business ethics according to the following guidelines.

- Shareholders** : The company will operate its business with transparency and efficiency with a commitment to good performance and stable growth to maximize the benefits of shareholders in the long term and to disclose information with transparency and credibility to the shareholders.
- Employees** : The Company will treat all employees equally, fairly and provide appropriate compensation. Employees' knowledge, capabilities and potential on a regular basis, such as organizing seminars and training sessions by providing thorough opportunities for all employees and trying to motivate highly competent employees to remain with the company to develop the organization further. It also sets out guidelines to prevent corruption. It is also instilled in all employees to comply with relevant laws and regulations, such as strictly prohibiting the use of inside information.
- Business partners** : The company has a process for selecting trade partners by allowing trade partners to compete on equal information. In addition, the Company has prepared a contract model that is appropriate and fair to all parties and a monitoring system is in place to ensure that the contract conditions are fully complied with and prevent fraud and misconduct in every step of the procurement process, whereby the Company purchases products from partners according to the commercial terms as well as strictly abide by the contract with trading partners.
- Customer** : The company is responsible for its customers by maintaining the quality and standards of products and services as well as responding to the needs of the customers as complete and comprehensive as possible to focus on creating satisfaction for customers in the long run. In addition, the company also provides accurate information about the company's products. It also provides a channel for the

Company's customers and able to report problems of unsuitable products or services so that the company can prevent and resolve problems with the company's products and services rapidly.

- Creditors** : The Company will primarily comply with the conditions of the agreements with creditors, including repayment of principal, interest and care of various collateral under the relevant contract.
- Competitors** : The company acts according to the framework of good competition. There is a code of conduct and within the legal framework including supporting and promoting a policy of free and fair competition.
- Social responsibility** : The company cares and value the social safety, the environment and the quality of life of the people who are involved in the operations of the company and encourage employees of the company to have an awareness of and responsibility towards the environment and society. In addition, the Company endeavors to participate in various activities that create and preserve the environment and society, as well as promote the local culture that the Company operates.

In addition, stakeholders can ask for details. Report complaints or whistleblowing of illegal acts, inaccuracy of financial reports, defective internal control system or the violation of the Company's business ethics can be passed through the Audit Committee of the Company and will be kept secret. The Audit Committee will proceed to check the information and find solutions (if any) and will continue to report to the Board of Directors.

Section4 Disclosure and Transparency

1. The Company values the importance of the financial statements and financial information appearing in the annual report. The Audit Committee will review the quality of financial reports and internal control system. This includes sufficient important information disclosure in remark in the financial statements and reports to the Board of Directors. In addition, it supports the preparation of Management Discussion and Analysis (MD&A) for the disclosure of financial statements every quarter.

2. In giving approval to the disclosure of information, the committee must take into account the factors involved in the event of financial reporting. At least the following factors should be considered.

- Evaluation of the sufficiency of the internal control system
- Opinion of the Auditor in the Financial Report And observations of the auditor regarding the internal control system including observations of the auditor through other communication channels (if any).
- Opinion of the Audit Committee
- Consistency with objectives of the main goals, strategies and policies of the company

3. The company will arrange to disclose information about each director roles and duties of the Board of Directors and the Company's sub-committees Number of meetings and attendance in the past year.

In the event that any disclosure involves a particular director, such director should ensure that the disclosure of his or her portion is complete and accurate, such as the shareholder information of their group, disclosure in connection with shareholders' agreement of their respective groups.

4. The company will disclose the audit fees and other service fees that the auditors provide services to the company.

5. The board oversees the disclosure of information as an important matter and reflects the practice that will lead to sustainable value creation for the company. They will provide a report on the policy on corporate governance Code of

business ethics Risk Management Policy Anti-Corruption Policy Treatment of Employees and Stakeholders which includes fair treatment and respect for human rights and social responsibility policy and the environment that has been approved and the results of the implementation of the said policy, including the case of failing to comply with the said policy with reasons.

6. The Company values the importance of a good internal control system and has set up an internal audit department to examine the performance of each department to prevent errors and operate with transparency. It is periodically audited and reports are submitted to the Audit Committee for consideration.

Section5 Responsibilities of the Board of Directors

1. Board of Directors Structure and sub-committees

Board of Directors consists of people who are knowledgeable, capable and experienced who can benefit the Company. It plays an important role in formulating policies and the overall picture of the organization. It also plays an important role in overseeing, auditing and evaluating the Company's performance to be in accordance with the plan

Board of Directors consists at least 5 people and they are directors of the company. The independent qualifications are not less than one-third of the total number of directors and must not be less than three persons, which will create appropriate balances in considering and voting on various matters. The term of office is not more than 3 years according to the relevant laws. The independent directors have a term of office not exceeding 9 years, except the Board of Directors. It will be seen that that person should be an independent director of the Company for the best benefit of the Company able to take the position of director of other companies It must be in accordance with the relevant laws and/or regulations, which must be notified to the Board of Directors' meeting. To acknowledge each time before taking the position as well.

In addition, the Board of Directors has also appointed sub-committees to assist in the corporate governance of the Company as follows:

- (1) Audit Committee Consists of at least 3 independent directors, of which at least one member of the Audit Committee must have knowledge and experience in accounting or finance sufficient to be able to review the reliability of the financial statements to support Board of Directors to supervise and monitor the administration internal control Financial Report Accuracy and compliance with relevant laws as well as supporting the formulation of risk management policies and supervise the establishment of a risk management system or process. In addition, the Audit Committee is responsible for reviewing the sufficiency and efficiency of the Company's management including reviewing financial reports for the operation and disclosure of the Company's information It is transparent and reliable.
- (2) Executive Committee Consisting of not less than 5 members, the Executive Director is not required to hold a position as a director or an executive or an employee of the company to act to support the Board of Directors in the management of the Company's business To be in accordance with the policies, work plans, regulations and any orders, including the goals set within the framework assigned by the Board of Directors.
- (3) The Nomination and Remuneration Committee consists of at least 3 members. The chairman of the Nomination and Remuneration Committee must be an independent director. To perform the duty of nominating qualified persons to hold the position of the Company's director Audit Committee and Managing Director Prepare policies and criteria for determining compensation and other benefits (whether

in cash, securities or any other form) of the Board of Directors Audit Committee and Managing Director including the salary adjustment of the Managing Director To propose opinions to the Board of Directors to present to the Board of Directors' meeting and/or the shareholders' meeting for further consideration and approval (depending on the case).

In addition, the Audit Committee considered appointing the Risk Management Committee (RMC) to serve as support for the establishment of risk management policies covering the entire organization. Supervise the establishment of a risk management system or process to appropriately reduce the impact on the Company's business, set rules and guidelines in various fields, as well as supervise the organization to operate and comply with policies relating to governance, good business and present the risk management report and recommendations to the Audit Committee.

In addition, the company has provided a company secretary. to perform duties related to the Board of Directors' meeting and shareholder meeting as well as supporting the work of the Board of Directors. by providing advice on legal and regulatory requirements related to the performance of duties of the Board including coordinating to ensure compliance with the resolutions of the Board of Directors.

2. Roles, duties and responsibilities of the Board of Directors

Board of Directors Responsible for shareholders in relation to the Company's business operations and is responsible for determining the policies and directions of the Company's operations as well as to supervise the management in accordance with the goals and guidelines for the long-term benefit of shareholders under the framework of the law and the Code of Business Conduct At the same time, taking into account the interests of all stakeholders, with details as stipulated in the charter of the Board of Directors.

The scope of duties of the Board of Directors Managing Director and Management. The consideration is divided into the following principles for consideration.

Matters that should be taken care of

- a. Determination of objectives and main goals for sustainable business operations.
- b. Creating an organizational culture that adheres to ethics and acts as a role model.
- c. Overseeing the structure and conduct of the Board of Directors to be appropriate for the achievement of objectives and main goals for efficient business operations.
- d. Nomination, development, compensation and evaluation of the President's performance.
- e. Determining the remuneration structure that motivates personnel to perform their duties in accordance with.

Matters that work with the management.

- a. Determination and review of annual objectives, goals, strategies and plans including for the medium terms.
- b. Overseeing the suitability and adequacy of the risk management system and internal control.
- c. Determining the authority to act appropriate to the responsibilities of the management.
- d. Determination of resource allocation framework development and budgeting, such as policies and personnel management plans and information technology policy.
- e. Monitoring and evaluating performance.

f. Maintaining Financial Disclosure and financial statements to be reliable.

Corporate Governance Policy

The Company has established a policy on corporate governance of the Company in writing to present at the Board of Directors' meeting has approved the said policy. However, the preparation Corporate Governance Manual is to serve as a guideline for directors, executives and employees to comply with the said policy. The company will arrange a review of the said policy every year.

The Board of Directors must supervise the business to lead to the result (Governance outcome) in creating sustainable value for the business as follows:

- 1) Can compete and has good operating results taking into account the long-term impact (Competitiveness and performance with long-term perspective).
- 2) Conduct business with ethics Respect rights and responsibility to shareholders and stakeholders (Ethical and responsible business).
- 3) Benefit society and develop or reduce the negative impact on the environment (Good corporate citizenship).
- 4) Able to adapt under changing factors (Corporate resilience).

The Board of Directors is responsible for ensuring that all directors and executives perform their duties with responsibility, carefulness (duty of care) and honesty to the organization (duty of loyalty) and to ensure that the operation is carried out in accordance with the laws, regulations and resolutions of the shareholders' meeting share

- 1) The Company must comply with various laws, rules and regulations related to the Securities and Exchange Act B.E. 2535.
- 2) The Board of Directors must ensure that the Company has an adequate system or mechanism to ensure that Company operation Comply with laws, regulations, resolutions of the shareholders' meeting, as well as established policies or guidelines, including having a process to approve important operations (such as investments, transactions that have a significant impact on the business, Making transactions with connected persons acquisition and disposition of property dividend payment, etc.) as required by law.

1.1. Code of Conduct

The Company has the intention to operate the Company's business with transparency, ethics and responsibility to stakeholders as well as society and the environment. The Company has established written guidelines for the Board of Directors, executives and employees to adhere to as principles of practice as follows:

- a. Code of Conduct for Responsibility to Shareholders
- b. Code of Conduct for Customer Relations
- c. Code of Conduct for Partner Relations Competitors and creditors
- d. Code of Conduct for Responsibility to Employees
- e. Code of Conduct for Social and Environmental Responsibility

The company will announce and inform all employees to know and strictly follow.

1.2. Conflict of interest

The Company has a policy of eliminating conflicts of interest prudently with honesty. Reasonable and independent under a good ethical framework For the benefit of the Company, it is important that those who are involved

or related to the transaction are considered to disclose information about their interests and related parties to the Company and must not participate in the consideration including no authority to approve such items.

The Company has a policy to enter into connected transactions and transactions with conflicts of interest that are consistent with relevant laws or regulations.

1.3. Internal control

The Company has established an internal control system for supervision and internal control both at the management level and at the effective operational level, the Company has hired external auditors (outsourced) to audit and assess the sufficiency of the internal control system and report the results to the Audit Committee according to the plan check where it is placed.

1.4. Risk management

The Company has established a risk management policy to cover the entire organization including supervision to have a system or risk management processes to appropriately reduce the impact on the Company's business.

1.5. Report of the Board of Directors

The Audit Committee is responsible for reviewing financial reports with the Accounting Department and the auditor attending the meeting together and present the financial report to the Board of Directors every quarter is responsible for the consolidated financial statements of the Company including financial information.

2. **Board of Directors Meeting and self-assessment**

The Company held a meeting of the Board of Directors at least every quarter and special meetings are added as needed. The meeting agenda is clearly set in advance. There is a regular agenda to consider and follow up on the operating results. The Company will send a meeting invitation letter to all directors at least 7 days in advance of the meeting date except in an urgent case to maintain the rights or benefits of the Company to be able to notify the meeting by other methods or set the meeting date earlier so that the committee has enough time to study the information before attending the meeting unless there is an urgent necessity. Minutes of the meeting will be recorded and certified documents will be collected for reference and review. In every meeting, executives and related parties are convened to provide information and details for accurate and timely decision making.

In the meeting of the Board of Directors must have a director at the meeting not less than half of the total number of directors of the Company will constitute a quorum. In the event that the Chairman of the Board of Directors not at the meeting or unable to perform duties to the Company's directors who came to the meeting to elect the Company's directors One person presides over the meeting. Voting must be made by a majority of votes and if there are directors objected to the resolution, the objection shall be recorded in the minutes of the meeting, to vote Director One person has one vote except the Company's directors which has an interest in any matter will not have the right to vote in that matter. If the votes are equal, the chairman of the meeting shall have an additional vote as a casting vote.

In addition, the Board of Directors encourages performance appraisals at least once a year to improve and correct operations. The topics to be discussed are clearly defined before the assessment results are measured to collect opinions and present them to the Board of Directors' meeting.

3. **compensation**

Directors' remunerations include meeting allowances. In this regard, directors' remunerations are comparable to those performed in the industry as well as considering the guidelines for determining the Managing Director's remuneration in accordance with the objectives and main goals of the Company. And in accordance with the interests of

the company in the long run, the executives will receive annual salary and bonuses by considering the Company's performance as important.

The annual remuneration of the Board of Directors and Executives combined shall not be unusually high compared to the average remuneration of the Company's directors and executives listed on the Stock Exchange of Thailand. It mainly takes into account the best interests of shareholders.

In this regard, the Company has set up a Nomination Committee and considers compensation to consider the pattern and criteria for payment of directors' remuneration to be presented to the shareholders' meeting for approval.

4. Nomination and development of the Company's directors and executives

Board of Directors has a policy to promote and facilitate training and knowledge to those involved in the Company's corporate governance system such as the Company's directors, audit committees, executives and the Company's secretary, etc. in order to improve the performance continuously training and knowledge may be conducted within the company or use the services of external institutions.

The Board of Directors must consider or assign the Nomination Committee to consider the criteria and methods of nominating qualified persons for the position of Managing Director.

In order to operate the business continuously The Board of Directors must oversee that there is a succession plan in order to prepare for the succession of the President and senior management and the President shall report the results of the succession plan to the Board of Directors for acknowledgment periodically at least once a year.

The Board of Directors must clearly define the policies and procedures for taking the position of director at other companies of the President and high-level executives both the type of director position and the number of companies that can take the position.

In case of change of director or new director, the management will provide documents and information useful for the performance of the new directors including providing an introduction to the nature of the business and the Company's business practices to new directors.

Board of Directors may arrange to rotate the assigned work according to the aptitude of management and employees by considering the suitability of work and time mainly by Managing Director will determine the time period and consider the said performance as a plan for the development and succession of the Company's work in order to develop the management and employees to have more knowledge and ability to work and to be able to work for each other.

Monitoring and ensuring compliance with the Code of Conduct

- 1) In the event of a violation of the law, rules, regulations, code of conduct or the company's policies related to or allowing subordinates to have such violations Executives or employees must report directly to Human Resources. By allowing the Human Resources Department to proceed in accordance with the procedures set forth in the policies and procedures for working in such matters.
- 2) The company will review the business ethics every 1 year to make it suitable for the changing business situation and environment.
 - (1) Nomination and Remuneration for Directors and Executives Independence of the Board of Directors from the Management Director Development and the evaluation of the performance of the directors including supervision of subsidiaries and associated companies.

- (2) Shareholder care Equitable treatment of shareholders Promotion of the exercise of shareholders' rights
Preventing the use of inside information Prevention of conflicts of interest Responsibility to Stakeholders
Compensation in case of infringement Anti-Corruption and measures to deal with those who violate such
policies and guidelines.
- (3) Business ethics (if any).

In the event that the company has prepared a charter of the board and the charter of each sub-committee, the full charter information shall also be disclosed.

Audit Committee Charter

The Board of Directors of Pioneer Motor Public Company Limited realizes the importance of good corporate governance. Appoint an audit committee comprising independent committees to audit the Company's operations, review the effectiveness of internal controls to ensure that the operations of various units are carried out with efficiency and accuracy. According to the law and in accordance with good practice rules, business administration is carried out appropriately, efficiently and with maximum efficiency. The Audit Committee is also responsible for reviewing the Company's financial reports together with the auditors to ensure that the financial reports The Company's finances are reliable with complete disclosure of information in accordance with relevant standards and regulations, ensuring confidence and credibility for investors and stakeholders with a thorough audit and corporate governance careful, fair, transparent and conduct business in accordance with good corporate governance principles. The Board of Directors therefore deems it appropriate to prescribe the Audit Committee Charter as follows:

1. Composition of the Audit Committee

The Company's Audit Committee must have the following components:

- 1.1 The Audit Committee consists of not less than 3 independent directors.
- 1.2 Audit committee members have appropriate skills and expertise according to the tasks assigned. At least one member of the audit committee must have knowledge, understanding or experience in accounting or finance.
- 1.3 The Board of Directors of the Company shall elect and appoint one of the Audit Committee members to be the Chairman of the Audit Committee.
- 1.4 The manager of the internal audit unit is the secretary of the audit committee by position.

2. Qualifications of the Audit Committee

The Audit Committee must have characteristics and qualifications as an independent director as follows:

- 2.1 Appointed by the Board of Directors and approved by the Company's shareholders.
- 2.2 Qualifications as stipulated in the public law, the Securities and Exchange Act and the regulations of the Stock Exchange of Thailand.
- 2.3 At least one member of the Audit Committee must be knowledgeable in accounting and finance.
- 2.4 Audit Committee members must be independent directors and have qualifications as independent committees as follows:

- 1) Holding shares not more than 1 % of the total number of shares with voting rights of the Company, its parent company, its subsidiary, Joint venture company, major shareholder or controlling person of the Company, including the shareholding of related persons of that independent director.
- 2) Not being or used to be a director who participates in management, employee, advisor who receives a regular salary, or person with controlling power of the Company, parent company, subsidiary company, associated company, same level subsidiary, major shareholder or authorized person under the control of the Company, unless the aforementioned characteristics have been terminated for not less than 2 years prior to the date of submission of an application to the Office of the Securities and Exchange Commission. Civil servants or consultants of government agencies who are major shareholders or persons with controlling power of the Company.
- 3) Not being a person who is related by blood or by legal registration in the form of father, mother, spouse, siblings and children, including the spouse of a child of an executive, a major shareholder, a controlling person or a person who will Nominated to be an executive or person with controlling power of the Company or its subsidiaries.
- 4) Does not have or has had a business relationship with the Company, its parent company, its subsidiary, an associate, a major shareholder or a controlling person of the Company in a manner that may obstruct the exercise of one's independent judgment; or used to be a significant shareholder or controlling person of a person who has a business relationship with the Company, its parent company, subsidiary company, joint company, major shareholder or controlling person of the Company unless it has been terminated having the aforementioned characteristics for not less than 2 years prior to the date of submission of the application to the Office of the Securities and Exchange Commission.
- 5) Not being or having been an auditor of the Company, parent company, subsidiary company, joint company, major shareholder or controlling person of the Company and not being a shareholder with significant controlling power or partner of the Office. Auditor in which there is an auditor of the Company, parent company, subsidiary company, joint company, major shareholder or controlling person of the Company, unless the foregoing relationship has been terminated for not less than 2 years before the date of submission of an application for permission to the Office of the Securities and Exchange Commission.
- 6) Not being or having been a provider of any professional services, including serving as legal advisors or financial advisors who receive service fees in excess of 2 million baht per year from the Company, parent company, subsidiary company, associated company Major shareholder or controlling person of the Company and not being a shareholder with significant controlling power or partner of such professional service provider, unless at least the foregoing relationship has ended 2 years prior to the date of filing an application with the Office of the Securities and Exchange Commission.
- 7) Not being a director appointed to represent the Company's directors, major shareholders or shareholders who are related to major shareholders.
- 8) Not operating a business of the same nature and in significant competition with the business of the Company or its subsidiaries, or not being a significant partner in a partnership or being a director who participates in the management of employees, advisors who receive a regular salary or holding more than

1 percent of the total number of shares with voting rights of other companies that operate businesses of the same nature and in significant competition with the business of the Company or its subsidiaries.

9) Does not have any other characteristics that prevent the inability to express independent opinions on the Company's operations.

10) Independent directors with the above qualifications may be assigned by the Board of Directors to make decisions on the business operations of the Company, parent company, subsidiary company, associated company, same-tier subsidiary, major shareholder or controlling person able to make decisions in the form of Collective Decisions.

2.5 Being able to perform duties and express opinions or independently report on the performance of the assigned duties without being under the control of the management or major shareholders of the Company including related persons or close relatives of such persons.

2.6 Being a trusted and generally accepted person.

2.7 Able to devote sufficient time to perform the duties of the Audit Committee.

3. Scope of Authority

3.1 Review financial reports to ensure they are accurate and reliable, including adequate disclosures by coordinating with external auditors and management responsible for the preparation of quarterly and annual financial reports.

3.2 Review to ensure that the Company has an internal control system and internal audit to be appropriate and effective and considering the independence of the internal audit unit as well as to approve the appointment, transfer and dismissal of the head of the internal audit unit or any other agency responsible for internal audits and may recommend a review or audit of any items deemed necessary and important, and make recommendations on improvements to the internal control system important and necessary to propose to the Board of Directors by reviewing with external auditors and internal audit department manager.

3.3 Review the compliance with securities and stock exchange laws or the regulations of the Stock Exchange of Thailand, policies, rules, regulations and other laws related to the Company's business.

3.4 Consider, select and nominate an independent person to act as an auditor, including considering the remuneration of the Company's auditor to the Board of Directors including attending a meeting with the auditor without the management meeting at least once a year.

3.5 Review the Company's internal audit plan in accordance with generally accepted methods and standards.

3.6 Consider connected transactions or transactions that may have conflicts of interest in accordance with the law and the regulations of the stock exchange as well as disclosing the Company's information in such matters to be accurate and complete in order to ensure that such transactions are reasonable and for the best benefit of the Company.

3.7 Review to ensure that the Company has an appropriate and efficient risk management system.

3.8 Report the performance of the Audit Committee to the Board of Directors at least 4 times a year.

3.9 Prepare the Audit Committee report to be disclosed in the Company's annual report which such report must be signed by Chairman of the Audit Committee and must contain at least the following information:

3.10 An opinion on the accuracy, completeness and reliability of the Company's financial reports.

- (a) Opinions on the adequacy of the Company's internal control system.
- (b) Comments on compliance with securities and stock exchange laws stock exchange requirements or laws related to the company's business.
- (c) Opinion on the suitability of the auditor.
- (d) Opinions on the connected transaction or items that may have conflicts of interest.
- (e) Number of Audit Committee Meetings and attendance of each Audit Committee Member.
- (f) Overall opinions or observations received by the Audit Committee in performance of duties under Charter.
- (g) Other items that shareholders and general investors should be aware of under the scope of duties and responsibilities assigned by the Board of Directors.

3.11 To give opinions on the consideration of appointment, removal, and evaluation of the work of the officers of the internal audit unit.

3.12 In the performance of duties within the scope of duties, the Audit Committee has the power to invite the management and executives to or employees of the Company concerned to give opinions to attend the meeting or submit documents that are deemed relevant or necessary.

3.13 To have the power to hire consultants or outsiders in accordance with the Company's regulations to give opinions or give advice if necessary.

3.14 The Audit Committee must assess its performance by self-assessment and report the results of the assessment together with the problems and obstacles in the performance that may cause the performance to fail to achieve the objectives of the establishment of the Audit Committee to the Board of Directors know every year.

3.15 Review and update the Audit Committee Charter.

3.16 Perform other tasks as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

4. Duties of the Chairman of the Audit Committee

The chairman plays a leading role of the board. The duties of the Chairman of the Board are as follows:

- 4.1 Convene the Board of Directors meeting by acting as the chairman of the Board of Directors meeting. In the case of equal votes to have the President cast one more vote as a decisive vote.
- 4.2 Determine meeting agendas in consultation with the manager to ensure that important agenda items are included in the agenda.
- 4.3 Conducting the Board of Directors meeting according to the agenda relevant law and good corporate governance Allocate sufficient time and encourage all committees to participate in the discussion use prudent discretion and freely express opinions.
- 4.4 Follow up the performance of Board of Directors to ensure efficiency and achieve the goals of the organization.
- 4.5 Strengthen good relationship between the Board of Directors and the Management.

5. Tenure

The term of office of the Audit Committee is as follows:

5.1 The Audit Committee shall hold office for a term of 3 years, with 1 year in this case referring to the period between the date of the Annual General Meeting of Shareholders of the year appointed until the date of the next annual general meeting of shareholders and the Audit Committee who vacates office upon the expiration of the term may be nominated and reappointed to a new position. In addition to the termination of office by the above-mentioned terms, the audit committee vacates office upon:

- 1) Dead
- 2) Resign
- 3) Disqualified to be an audit committee in accordance with this charter or the regulations of the Stock Exchange of Thailand
- 4) Retired from being a director of the Company

5.2 Any member of the Audit Committee who wishes to resign from the position must submit a resignation letter to the Chairman of the Board of Directors, which should be notified in writing at least 1 month in advance with reasons and approved by the Board of Directors. The company will inform the resignation together with a copy of the resignation letter to the Stock Exchange of Thailand. The Audit Committee who has vacated office shall remain in office for further proceedings until the new Audit Committee takes office.

5.3 In the event that the audit committee position becomes vacant due to reasons other than retirement by rotation, the Board of Directors shall appoint a qualified person to be a member of the Audit Committee within 90 days in order to complete the number of Audit Committee members as required by the Board of Directors. Determined by the person who replaces the Audit Committee in the position for only the remaining term of the Audit Committee member whom he/she replaces

6. Meeting

Audit Committee meetings are as follows:

- 6.1 To hold a meeting of the Audit Committee to consider the financial statements and report on the results of internal audits and other matters at least 4 times a year at least 3 times prior to meeting of the Board of Directors or the Chairman of the Audit Committee shall convene a special meeting to consider other urgent matters as he deems appropriate.
- 6.2 Audit Committee members who have interests in any matter do not have the right to vote on that matter.
- 6.3 Voting at the Audit Committee meeting shall be based on the majority vote. In case of equal votes, the chairman of the meeting shall have one more vote as a casting vote. However, the opinions of other Audit Committee members who did not vote for approval shall be presented as a dissenting opinion to the Board of Directors.
- 6.4 The Chairman of the Audit Committee shall report the results of the meeting to the next Board of Directors meeting for acknowledgment every time.
- 6.5 The secretary of the Audit Committee or the person assigned to record the minutes of the meeting.

7. Report of the Audit Committee

- 7.1 The Audit Committee shall report the performance to the Board of Directors at the Board of Directors meeting.

7.2 In the performance of the duties of the Audit Committee, if found or suspected that the following items or actions which may have a material impact on the financial position and operating results of the Company. The Audit Committee shall report to the Board of Directors for improvement within the period as the Audit Committee deems appropriate.

- 1) Conflicts of Interest.
- 2) Fraud, or there is something wrong or there is a significant deficit in the internal control system.
- 3) Violation of any laws or regulations of the Stock Exchange of Thailand and other relevant laws.

7.3 If the Audit Committee has reported to the Board of Directors any material impact on the financial position and results of operations and has discussed with the Board of Directors and the management that it must Take corrective action when the time limit is set together. If the Audit Committee finds that there has been unreasonable neglect of such remedial action, one of the Audit Committee may report the findings directly to the Securities and Exchange Commission or the Stock Exchange of Thailand.

8. Reporting of listed companies to the Stock Exchange of Thailand

8.1 Appointment of the Audit Committee

- 8.1.1 Report on the resolutions of the Board of Directors' meeting regarding the appointment of the Audit Committee and submit the form to report the names and scope of the Audit Committee according to the regulations of the Stock Exchange of Thailand.
- 8.1.2 Submit a certificate and profile of the Audit Committee together with the report on the resolution of the appointment of the Audit Committee to the Stock Exchange of Thailand within 3 days from the date of the Board of Directors' resolution to appoint the Audit Committee.

8.2 Changes in Audit Committee Members

- 8.2.1 Report the resolutions of the Board of Directors' meeting regarding the change of members of the Audit Committee to the SET in accordance with the regulations of the Stock Exchange of Thailand.
- 8.2.2 Submit a certificate and profile of the audit committee for the newly appointed audit committee and report on the resolution of the appointment of the audit committee.
- 8.2.3 Report of the resolutions of the Board of Directors meeting to the change of duties and the scope of work of the Audit Committee to the SET in accordance with the regulations of the Stock Exchange of Thailand within 3 days from the date of the Board of Directors' resolution regarding the change.

9. Board performance appraisal

- 9.1 The Board arranges for a self-assessment on the performance of the Board of Directors, both the committee and the individual on an annual basis to consider reviewing operational results, problems and obstacles in the past year to make the work of the board more efficient.

9.2 The committee determines the criteria to be used in the evaluation to consider and give advice on the process of evaluating the performance of the Board of Directors in order to comply with the guidelines for corporate governance and the Code of Conduct.

9.3 Consider the evaluation process Assessment Summary and report the results of the assessment to the Board of Directors to be considered for improvement and further development. An external expert may also be assessed and present it to the Board of Directors' meeting for acknowledgment at least once a year.

10 . Directors' remuneration senior management and personnel

10.1 The Board assigns the Nomination and Remuneration Committee to consider the policy and criteria for remuneration payment for directors by considering the rates to be appropriate for their duties and responsibilities and presenting them to the Board of Directors before proposing them to the SET's member meeting for approval.

11. Charter Review

The Committee will review and assess the adequacy and appropriateness of the Charter at least once a year.

Scope of duties of the Board of Directors

1. Perform duties responsibly caution Integrity and prudence, as well as performing duties in accordance with the law, objectives, articles of association of the company, as well as shareholders' resolutions.
2. To consider and approve the appointment of a person who has qualifications and does not have any prohibited characteristics as prescribed in the Public Limited Company Act B.E. 2535 and the law on securities and exchange, including announcements, regulations and/or rules related to director positions in the event that the director's position is vacant for reasons other than retirement by rotation.
3. Consider appointing the Executive Committee by selecting from the Company's directors, as well as defining the scope of duties and responsibilities of the Executive Directors.
4. To consider and appoint independent directors and audit committee based on qualifications and prohibited characteristics of independent directors and audit committee according to securities and stock exchange laws, including announcements, regulations and/or relevant regulations of the Stock Exchange of Thailand or proposed to the shareholders' meeting for consideration and appointment as independent director and audit committee of the Company.
5. Consider determining and amending the name of the director who has the power to bind the company.
6. Appoint any other person to operate the Company's business under the control of the Board of Directors or may authorize such person to have the power and/or within the time as the Board deems appropriate, which the Board may cancel, revoke, change or amend such authority.
7. To consider and approve the acquisition or disposition of assets of the Company except in the case where such transaction must be approved by the shareholders' meeting, such approval shall be in accordance with the relevant notifications, regulations and/or regulations of the Stock Exchange of Thailand.

8. To consider and approve the connected transactions except in the case where such transaction must be approved by the shareholders' meeting, such approval shall be in accordance with the notifications, regulations and/or regulations related to the Stock Exchange of Thailand.
9. Consider and approve the payment of interim dividends to shareholders. Seeing that the company was lucrative enough to do so and report such dividend payment to the shareholders' meeting for acknowledgment in the next shareholders' meeting.
10. Set a vision Policy and direction of the company's operations Annual budget business strategy and supervise the management to operate in accordance with the set policies with efficiency and effectiveness in order to maximize economic value for shareholders and sustainable growth.
11. Evaluate the performance and determine the remuneration of directors and senior management.
12. Responsible for performance and performance of management's duties with intention and caution in operation.
13. Supervise the management to have an appropriate and efficient risk management system.
14. Supervise to have clear and measurable business goals to be used as a guideline for setting operational goals by considering the possibility and reasonableness
15. Responsible to shareholders on a regular basis, operates in the interests of shareholders, discloses material information to investors accurately, completely, with standards and with transparency.
16. Evaluate the performance and determine the remuneration of senior management.
17. Supervise the management to have an appropriate and efficient risk management system.
18. Consider making decisions on matters such as policies and business plans, large investment projects, administrative powers, acquisition or disposition of assets and any other items required by law.
19. Determine the authority and level of approval in transactions and various actions related to the work of the company to the group or persons as appropriate and in accordance with the relevant laws by preparing a manual on the authority and to be reviewed at least once a year.
20. Establish a reliable accounting, financial reporting and auditing system as well as supervise the establishment of a process for assessing the suitability of internal control.
21. To approve the nomination of the auditor and consider the annual audit fee to present to the shareholders for consideration and approval of the appointment.
22. The report of the Board of Directors' responsibility for the preparation of financial reports is presented along with the auditor's report in the annual report and covers important matters in accordance with the Good Practices Policy for Directors of Listed Companies of the Stock Exchange of Thailand.
23. Supervise the performance of various sub-committees in accordance with the prescribed charter.
24. The committee shall self-assess the performance and assess the overall performance.
25. Consider for the development of corporate governance in various matters as follows:
 - 25.1 Determining the number of listed companies in which each committee holds office no more than 5, without exception.
 - 25.2 Determine the CEO / Managing Director 's policy for taking a director position at other companies.
 - 25.3 Determine the policy on the minimum number of quorums at the time the directors will vote at the board meeting that There must be no less than two-thirds of the total number of directors.

- 25.4 Arrange a meeting among non-executive directors without the management attending the meeting in the past year by specifying the number of times or the date of the meeting.
- 25.5 Arrange for an assessment of the Board's performance by both the faculty and the individual including disclosing the rules and the assessment process.
- 25.6 Arrange for an annual performance evaluation of the top management (CEO) of the organization and disclose them for information.
- 25.7 Consider the disclosure of the CEO compensation policy, both short-term and long-term including compensation based on the performance of the CEO.
- 25.8 Consider the appointment of CG Committee (Director Level).

Scope of powers and duties of the Nomination/Remuneration Committee

Recruiting

1. Determine method of nominating suitable persons for the position of directors to suit the nature and business operations of organization by defining properties and knowledge and expertise in each area that needs to be.
2. Nomination of Directors, when it is time to nominate directors to the Board of Directors for consideration. The nomination may be considered from the former director to continue the position or open for nominations from shareholders or using outside companies to help recruit or consider from the person from the Career Committee or having each director nominate an appropriate person, etc.
3. Review the list of nominated individuals and select those who meet the established eligibility criteria.
4. Verify that the person to be nominated meets the legal and regulatory requirements of the relevant authority.
5. Conduct an overture of individuals who meet the specified eligibility criteria. To ensure that such person is willing to take the position of the Company's director if appointed by the shareholders.
6. Nominate names to the Board of Directors to consider and include their names in the notice of the shareholders' meeting for the shareholders' meeting to consider and appoint.
7. Consider nomination of senior executives as assigned by the Board of Directors.

Compensation consideration

1. Consider the criteria for the remuneration of directors and high-level executives to be appropriate by reviewing the appropriateness of the criteria currently in use comparison with the payout data of other companies in the same industry as the company and set appropriate criteria to achieve the expected results to be fair and to reward the people who helped the company's work be successful.
2. Review all types of compensation formats such as regular compensation based on performance and meeting allowance taking into account the practices of the same industry Performance and size of the company's business and the responsibility, knowledge, capability and experience of directors and senior executives that the company needs.
3. Consider the evaluation criteria for the Chief Executive Officer. Executive Director and senior management as assigned by the Board of Directors

4. Determine the annual remuneration of directors, Chief Executive Officer, Executive Director and senior management according to the payment criteria have been considered and presented to the Board of Directors for approval of the Chief Executive Officer's remuneration. Executive Director and senior management Director's part for the Board of Directors to present to the shareholders' meeting for approval.
5. Consider the suitability and give approval in the event that new securities are offered for sale to directors and employees by adhering to the principles of fairness to shareholders and to incentivize directors and employees to perform their duties in order to create long-term added value for shareholders and be able to retain quality personnel.

Scope of powers and duties of the Risk Management Committee

1. Determine the policy and risk management structure. To propose to the Executive Committee in accordance with and in accordance with the risk management guidelines of the Stock Exchange of Thailand and the Association of Internal Auditors of Thailand.
2. Strategize in accordance with the risk management policy to be able to assess Monitor and control each type of risk to an acceptable level by allowing various departments to participate in risk management and control.
3. Assessing risks at the enterprise level and determine how to manage that risk to an acceptable level as well as to control and supervise the risk management according to the prescribed methods.
4. Review the risk management policy and improve it for efficiency and effectiveness to control the risk.
5. Has the power to summon relevant persons to clarify or appoint and assign roles for operators at all levels to manage risks as appropriate and report to Risk Management Committee for risk management to achieve its objectives.
6. Report the results of risk management to the Executive Committee and the Audit Committee to present to the Board of Directors on a quarterly basis.
7. Prepare a risk management manual.
8. Identify various risks and analyze and assess potential risks including trends that affect the company.
9. Develop a plan to prevent or reduce the risk.
10. Evaluate and prepare a risk management report.
11. Establish an integrated risk management system by linking information systems.
12. Perform other tasks as the Board of Directors deems appropriate.

Scope of powers and duties of the Corporate Governance Committee

1. Make a corporate governance policy Anti-Corruption Policy Sustainability Policy and related practices including business ethics and good corporate governance guidelines proposed to the Board of Directors.
2. Review the relevant policies at least once a year to ensure they are continual and current. In line with international guidelines and recommendations of the Corporate Governance Department and its allies Securities and Exchange Commission and related government agencies.
3. Supervise the performance of executives and employees to be in accordance with the relevant policies Corporate Governance Practices of the Company and Good Corporate Governance Practices of the Securities and Exchange Commission.

4. Supervise the training of executives and employees. To educate about business ethics policies and related practices Anti-Corruption Policy and Guidelines Privacy Policy PDPA.
5. Review and evaluate the implementation of the policy with directors and management.
6. Corporate Governance Committee Meetings must be held as necessary and appropriate at least once a year and minutes of meeting results to the Board of Directors.
7. Report to the Board of Directors regarding the Company's good corporate governance practices by giving opinions on guidelines and suggestions to improve as appropriate.
8. Report to the Board of Directors if found to be a practice that does not comply with the business ethics policy and related practices Anti-Corruption Policy and Guidelines Personal Data Protection Policy PDPA stipulates penalties to be presented to the Board of Directors.
9. Prepare a report summarizing the performance and corporate governance of the supervisory committee which will be compiled in the Company's annual report.
10. Perform any other duties assigned by the Board of Directors.

Scope of powers and duties of the Executive Committee

1. It is responsible for controlling the Company's management in accordance with the policies set by the Board of Directors and reporting the results of operations to the Board of Directors. The resolutions of the Executive Committee must receive a majority of votes from the meeting and such votes count at least half of the total votes of the Executive Committee.
2. Consider the determination of individual authority and level of approval to be appropriate and provide for the separation of duties that may facilitate corruption including defining the steps and how to transact with Major shareholders, directors, executives, or persons related to such persons appropriately to prevent the transfer of benefits and presented to the Board of Directors for approval of principles as well as to control the compliance with the principles and regulations that have been approved.
3. Consider the annual budget and steps in budget expenditure. To propose to the Board of Directors and to control the expenditure according to the budget that has been approved by the Board of Directors.
4. Consider and improve the Company's business plan accordingly for the benefit of the company.
5. Consider and approve investments and set investment budgets according to the authority in the manual.
6. Consider various contracts binding the company according to the authority in the manual.
7. Responsible for having sufficient important information of the Company for decision-making by the Board of Directors, shareholders, including preparing reliable financial reports. It meets good standards and is transparent.
8. Consider the profit and loss of the company and propose the annual dividend payment to the Board of Directors.
9. Consider running a new business or the dissolution of the business to propose to the Board of Directors.
10. Supervise procedures for operators to report incidents or unusual actions or illegal actions to the Executive Committee in a timely manner and in the event that such events have a material impact must report to the Board of Directors for consideration and correction within a reasonable time.

11. Take any action in support of the above or according to the opinion of the Board of Directors or as authorized by the Board of Directors.
12. Proceeding to the Executive Board Meeting on any matter which has been resolved and/or approved by the Executive Board Meeting must report to the Board of Directors in the next Board of Directors meeting.

The assignment of powers, duties and responsibilities of the Executive Committee as mentioned above. It does not include powers and/or sub-authorizations to approve any item that he or she has or subordinate or persons who may have conflicts (as defined in the Notification of the Capital Market Supervisory Board) having interests or interests in any other manner contrary to the Company. The approval of such transactions must be proposed to the Board of Directors' meeting and/or the shareholders' meeting (as the case may be) to consider and approve the said transaction according to the Company's Articles of Association or the relevant laws.

Scope of powers and duties of the Managing Director

1. Control of business operations plan an operational strategy and managing the day-to-day operations of the company.
2. Decide on important company matters, set missions, objectives, guidelines, company policies including control of management in various fields.
3. Has the authority to command, contact, give orders, as well as to sign any contract, document, order, notification as specified in the manual on the authority to operate.
4. Have the power to hire, appoint, or transfer any person as deemed appropriate as well as determine the scope of powers and duties and reasonable returns and have the power to dismiss to be issued as appropriate of employees at different levels as defined in the manual.
5. Have the power to set trade terms for the benefit of the company.
6. Consider investing in a new business or business termination to present to the Executive Committee and/or the Company's directors.
7. Approve and appoint consultants in various fields necessary for operations.
8. Take any action as assigned by the Executive Committee and/or director of the company.

In this regard, the assignment of powers, duties and responsibilities of the Managing Director as mentioned above the Managing Director must comply with the requirements and agendas approved by the Board of Directors and does not include powers and/or sub-authorizations to approve any transaction that he or she or subordinate or persons who may have conflicts (as defined in the Notification of the Capital Market Supervisory Board) having interests or interests in any other manner contrary to the Company. The approval of such transactions must be proposed to the Board of Directors' meeting and/or the shareholders' meeting (as the case may be) to consider and approve such transactions in accordance with the Company's Articles of Association or the relevant laws.

Audit Committee Report for FY2021

Dear Shareholders

Pioneer Motor Public Company Limited and subsidiaries

The audit committee of Pioneer Motor Public Company Limited and subsidiaries ("PIMO") consists of 3 independent directors who are knowledgeable, competent and experienced as per the requirements of the Stock Exchange of Thailand. They are independent in performing their duties in accordance with the charter of the Audit Committee which comprised of as follows:

- | | |
|--|-----------------------------|
| 1. Miss Jirayong Anuman-rajadhon | Chairman of Audit Committee |
| 2. Mrs. Pennapha Dhanasarnsilp | Audit Committee Director |
| 3. Police general. Sakda TechaKriengkrai | Audit Committee Director |

For the fiscal year 2021, the audit committee has held 4 meetings and all members of the Audit Committee have attended all 4 meetings. The Audit Committee has received opinions from the management and the certified auditor and the performance reports are reported to the Board of Directors on a quarterly basis, which can be summarized as follows:

Financial report

The quarterly financial statements and the year 2021 financial statements were reviewed before presenting to the Board of Directors to ensure that the company's accounting transactions were properly recorded in accordance with the generally accepted accounting standards. Details were disclosed in the notes of the financial statements adequately. The Audit Committee is of the opinion that the aforementioned financial statements disclose accurate and reliable financial and operating information and they have been disclosed sufficiently and in time.

Sufficiency internal control

The internal control system and the internal audit have been reviewed. The Audit Committee is of the opinion that it is effective and appropriate. There are no significant drawbacks. The Audit Committee has considered and given opinions as well as approved the 2021 internal audit plan, which prioritizes the audit by its specific risk. It has been ensured that the internal audit unit is independent in performing its duties. The Audit Committee is of the opinion that the company has an adequate internal control system which is suitable for the business conditions.

Risk Management

The company's risks were reviewed, assessed and managed to be appropriate for the business environment. The risk assessment guideline was reviewed and the risk monitoring progress was tracked periodically. The company's risks are acceptable and regular reviews of risks are in line with the current situation.

Related Parties transactions

The related parties transactions and transactions with conflicts of interest were reviewed. The Audit Committee is of the opinion that the transactions were reasonable and were conducted for the Company's best interests. There is adequate information disclosure in accordance to the regulations of the Stock Exchange of Thailand.

Good corporate governance

The operations were reviewed in compliance with the law on securities and exchange, requirements of the Stock Exchange of Thailand and legal regulations relating to company business. The Audit Committee is of the opinion that the company has properly complied with the law.

Auditor Appointment

The selection of auditors was done with the cooperation of the management team. Factors that were considered were the auditor's performance in the past years, the competence, reputation, reliability and independency in performing duties as well as having qualifications as specified by the Securities and Exchange Commission. For the past years, the auditor was able to perform on time on a regular basis. The Audit Committee considers it appropriate to propose to the Board of Directors in order to propose for approval in the shareholders' meeting to appoint Mr. Pradit Rodloithuk, Certified Public Accountant No.218, Ms. Nongram Laohaareedilok, Certified Public Accountant No. 4334, Mrs.Pornthip Lerdthanongsak, Certified Public Accountant No.7633, Miss Sunanta Kumsuk, Certified Public Accountant No. 8207, Miss Chamaporn Rodloytuk, Certified Public Accountant No.9211 of AST Master Company Limited, to be the auditor for the year 2021 with total compensation not exceeding THB 1,130,000 baht (one million, one hundred and thirty thousand baht)

The Audit Committee has evaluated its self-performance by assessing the overall picture of each committee for the year 2021 and has the opinion that The Audit Committee has performed its duties in accordance with the Audit Committee Charter adequately and completely.

On Behalf of the Audit Committee

Pioneer Motor Public Company Limited



(Miss Jirayong Anuman-rajadhon)

Chairman of the Audit Committee



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