



PIMO

Pioneer Motor Public Company Limited

Form 56-1 One Report 2022



Content

	Page
Part 1 Business Operations and Operating Results	
1. Structure and Operations of the Group	4
2. Risk Management	45
3. Driving business for sustainability	51
4. Management Discussion and Analysis: MD&A	73
5. General and other important information	90
Part 2 Corporate Governance	
6. Corporate Governance Policy	91
7. Corporate Governance Structure and important information about the committees, committees, executives, employees and others.	102
8. Report on Key Performances in Corporate Governance	132
9. Internal Control and Related Transactions	145
Part 3 Financial Statements	156
Attachment	
Attachment 1 Details of Directors, Executives and Persons with Controlling Authority and Company Secretary	197
Attachment 2 Details of the Directors of the Subsidiary	209
Attachment 3 Details about the Head of Internal Audit and Supervisor Company Performances (Compliance)	210
Attachment 4 Assets used in business	214
Attachment 5 Corporate Governance Policy and Practice and Business Ethics	217
Attachment 6 Report of the Audit Committee	249
Attachment 7 Report of the Risk management Committee	248
Attachment 8 Report of the Nomination and Remuneration Committee	249
Attachment 9 Report on the Board of Directors' Responsibilities for Financial Reports	251

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

With the rapidly changing situation and volatility from many factors that have continued in 2022, especially the epidemic of the COVID-19 virus that has been going on for more than three years, affecting a wide area, such as economic conditions and purchasing power that slow down, disruption of business operations and people's lifestyles have changed like never before, leading to a new way of life (New Normal), which is considered one of the most challenging periods in the Thai motor industry. As well as climate change due to the rapid changes in the digital age and technology, the company has placed importance on measures to prevent and cope with situations and impacts from risks that may occur both in the short term and in the long term to maintain continuity in business activities.

For more than 20 years, the company has focused on driving the business to be able to operate continuously under the vision of sustainability that covers economy, society, environment, and good governance, taking into account all groups of stakeholders in the company's business. The company is dedicated to overcoming obstacles to maintain growth of the business to happen continuously along with giving importance to taking care of all stakeholders in the business chain commitment to supply helping the community to prevent the spread of the disease. I would like to commend all employees for their kindness, dedication, patience in performing their duties with full capability and cooperation working together to promote good health of all Thai people

On behalf of the Board of Directors, executives and employees, I would like to thank shareholders, financial institutions, partners and all stakeholders for trusting and supporting business operations to develop the economy of the country and the ASEAN region. Enhance the quality of life of people in the community by creating sustainable values and maintain competitiveness by developing along with the changing world under the commitment to conduct business with good governance principles being responsible towards society and the environment as well as never stopping to adapt and develop the business of the future in order to continue the success until being recognized internationally in terms of business strength and sustainability.

Sincerely Yours,

Wasun Itthirojanakul

Managing Director

Board of directors



- | | |
|--|--|
| 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 / Chairman of the Corporate Governance and Sustainability Committee |
| 5. Mr. Wasun Itthirojanakul | Board of Directors / Risk Management Committee / Nomination and Remuneration Committee / Corporate Governance and Sustainability 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 and Sustainability 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, Missions, Common values or Main 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.

Main strategies for doing business

1. Develop a variety of products with quality that are reliable, accepted and able to meet the needs of consumers.
2. Invest in new businesses that can promote the company's future business in order for the organization to have the potential to be ready to change and compete.
3. Develop technology and information to strengthen market leadership. and quickly respond to customer needs

The Board of Directors held a total of 6 meetings in 2022 to consider and review various policies. and strategy of the company At the Board of Directors' meeting, the management reports quarterly performance according to the strategy. Strategies, plans and budgets are set, including monitoring and supervising the company's business operations to meet the set goals.

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

Year	Important events
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 signed a contract to jointly fund the project. Design and development of permanent magnet brushless electric motors for electric motorcycles with the National Science and Technology Development Agency. - 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. - The company received investment promotion certificates (BOI) for 100% of the capital in the production of motors for electrical appliances of size Lam 72, Lam 74, Lam 85, excluding the value of land and working capital, for a period of 3 years.

Year	Important events
Year	- On December 31, 2022, the company has been certified by the Private Sector Collective Action
2022	Coalition against Corruption (CAC) (Thai Private Sector Collective Action Against Corruption).
	- The Company received a promotion certificate (BOI) for 100% of the capital in the production of motors for electric motorcycles, namely the production of TRACTION MOTOR, excluding the value of land and working capital, for a period of 8 years.

1.1.3 Name Head office location

Pioneer Motor Public Company Limited ("the Company") engages in the business of manufacturing motors for air conditioners. Industrial power motors Pumps, centrifugal pumps and motors for pools and spas. Using the abbreviation on the Stock Exchange of Thailand that "PIMO" was registered as a juristic person under the law on public limited companies on April 10, 2015, registration no. 0107558000164

Location of head office at No. 78, 78/4, 78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakompathom Province Telephone number 034- 265111-8 Fax 034- 265119 Website www.pioneermotor.th.com

As of February 7, 2023, the company has total registered capital. 213,149,676.75 Baht a number of ordinary shares 694,944,534 shares with a par value of 0.25 baht per share, with a paid-up capital of 173,736,133.50 baht

1.2 Nature of business

1.2.1 Revenue structure

The revenue structure of the Company for the past 3 years ended December 31, 2020 to December 31, 2022, has the following revenue structure as follows:

Sales revenue by product group	Year 2020		Year 2021		Year 2022	
	THB	%	THB	%	THB mil	%
	mil		mil			
1. Air conditioner electric motors	235.83	29.64	270.30	27.28	346.04	28.94
2. Pumps, centrifugal pumps and motors for pools and spas and other motor components	479.72	60.28	622.53	62.82	750.68	62.80
3. Industrial motors	75.80	9.53	90.66	9.15	88.51	7.41
4. Other sales income ^{1/}	4.41	0.55	7.42	0.75	10.27	0.85
Total sales revenue	795.76	100.00	990.91	100.00	1,195.50	100.00

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

1.2.2 Information about the product

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) Characteristics of products or services and Business innovation development

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 releaser. 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 motor

Single 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 Pumps

Dewatering 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.

4. 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

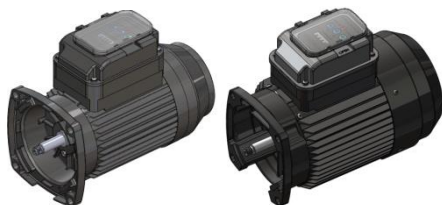


Descriptions

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 realizes the importance of continuous research and development to meet future needs. Therefore 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.

Type 1: AC Pool Motor	Type 2: BLDC Pool Motor
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 2021 – 2022, 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).

Policy and Promotion Process Potential and Competence of Partners

The company recognizes the importance of cooperation in product development and innovation, which is beneficial to the business of the company and its partners, as at present, the trend of energy saving tends to grow rapidly. The company wants to develop products that can save energy. And meet the needs of users in the future. Therefore, during the year 2021-2022, the company has developed EV motors for Electric Motorcycles in collaboration with government agencies or the National Science and Technology Development Agency (NSTDA)

In addition, the company has plans to develop and upgrade the potential of the motor industry. Therefore there is also a cooperation in the motor development project for electric motorcycles with GP Motor (Thailand), a manufacturer and distributor of GPX motorcycles, to jointly develop electric motorcycles with stability and good quality at competitive prices. At this time, this project is in the process of testing the performance of the motor. The motor looks like in the picture below.



At present, the trend of the automotive world has begun to change. New alternative energy vehicles are gaining popularity. Especially electric cars or EV (Electrical Vehicle) cars because they are pure energy vehicles. does not pollute reduce air pollution Helping to make the world cleaner and more livable. It also uses battery-powered electricity instead of gasoline, which is increasingly expensive, making electric cars more demanding in the market. The same applies to motorcycles that use electric power to drive. known as Electric motorcycle or EV Bike, which today there are many types to choose from just like a car. both scooter big bike Or will it be a sport bike type?

Electric Motorcycles are vehicles that use motors to drive instead of engines. no fuel no internal combustion Only the current stored in the battery is used to supply power to the motor. In terms of batteries and electric motors, they will have different sizes depending on each model of the car maker that will be produced.

Features of Electric Motorcycle

- Electrical energy can be transferred to the motor immediately.
- Because the combustion engine is not used. Makes no use of oil as fuel. which reduces pollution from exhaust pipes, noise pollution, as well as reducing the impact on the health of surrounding drivers as well
- The engine does not use oil. cause no heat Harmless and safe to touch the machine.
- Save more money than using gasoline.
- Equipment is more durable. Easier to repair Reduce maintenance costs
- Able to wade through floods. There is no problem of flooding in the exhaust pipe.

How are electric motorcycles better and more economical than petrol cars? If the company can produce EV motors for sale in the domestic market Consumers will be able to save money as follows.

petrol motorcycle	electric motorcycle
1.1 baht/km.	5 baht/charge, can run 40 km. = 0.125 baht/km.
44 baht/day	5 baht/day
1,320 baht/month	150 baht/month
15,840 baht/year	1,800 baht/year
23,760 baht/half year	2,700 baht/half year
Engine oil 500 baht.	change battery 4,800 baht
Total 24,260 baht	Total 7,500 baht

Therefore, within 1.5 years, save money $24,260 - 7,500 = 16,760$ baht, saving both money and energy.

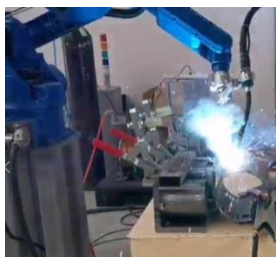
However, the performance from promoting the potential and ability to operate sustainably of the company is currently in the process of testing the efficiency of the motor.



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 the past year 2019, the design of the handling equipment and the control system to work with Robot in 2 production lines to increase production efficiency and control the quality to be higher, including aluminum injection department and the motor connection department with the skills of the internal personnel of the company itself and the company has received a supporting budget for the ITAP (Innovation and Technology Assistance Program) of the National Science and Technology Development Agency (BOT), which is an allocation agency, research and innovation to increase the competitiveness of the manufacturing and service sectors, including supporting technology transfer creating innovation markets promoting the use of research and commercial innovation have collaborated with the company signed a joint venture contract with the National Science and Technology Development Agency in the project design and

development of an electric motor type without a permanent magnet for electric motorcycles. In 2021 - 2022, the company has expenses for research and development of technology and innovation according to advice or additional explanations about expenses for research and development of technology and innovation total 2.18 million baht (Year 2021: 0.71 million baht, Year 2022: 1.47 million baht)



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 already installed robots, in 2022 the company has installed 3 more robots and plans to install more robots at many points of the production process.

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 new products to the market every year.

The company foresee the importance of innovative product development and technology as well as energy saving. In 2022, the company introduced new products to the market as follows:

1. Pool pump 3 phase IE3 (Hi eff.)
2. Pool pump 1Phase 60Hz UL standard (gold color)
3. Air motor 1phase 60Hz UL standard 2 models

1.Pool pump 3 phase IE3 (Hi eff.)



2. Pool pump 1Phase 60Hz UL standard (gold color)



3. Air motor 1phase 60Hz UL standard 2 models



Currently the exporting sector is one of the main income of the company. The company had export revenues in the year 2020 - 2022, representing 48, 53 and 54 percent of total revenue, respectively, or equivalent to 383.59 million baht, 520.78 million baht and 645.51 million baht, respectively.

Examples of International customers



IR Products USA



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).

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. The company distributed through the company's distribution agents. This makes it possible to distribute such products to small retailers. and final consumers across the country In which sales in the years 2021-2022, the company has sales of 90.66 million baht and 88.52 million baht, respectively, or a slight decrease of 2.42% compared to the year 2021, mainly due to competitors in the market making promotional programs motion during the last quarter of the year caused the company to lose market share in this quarter.

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 2020-2022, the company had total sales of 479.72 million baht, 622.53 million baht and 750.68 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 that meets standards. and create maximum satisfaction for customers To meet the needs of customers to meet the goals of quality system standards ISO 9001: 2015, CE standards, UL standards and ETL standards. According to the set goal is

- 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.

ISO9001: 2015 is a standard of quality management system (Quality Management System: QMS) which is internationally accepted. is a system used for Manage the process to obtain quality products or services. Consistently meeting the needs of customers Prepared and published by International Organization for Standardization (at Geneva Switzerland)

Having the CE (CE Marking) symbol attached to the symbol That represents the declaration that The product complies with the essential requirements of the health and safety legislation. and environmental protection The European Union has launched the CE standard to simplify international trade between member countries. Facilitating the free flow of goods in the EFTA & European Union (EU).

Underwriters' Laboratories Inc. (UL) is an internationally recognized organization for inspection and certification of product safety standards. Founded in the United States in 1894, UL is trusted as an international leader in safety auditing in product development, testing and certification. and system to meet the specific regulations according to the requirements It uses audits to drive product safety controls at the government, federal, state and local government safety standards initiatives.

ETL Intertek: Is a leading company in testing and has a laboratory for testing products that are internationally accepted internationally and globally. With more than 130 years of experience, focusing on performance and safety testing of various products, the ETL mark is a sign that Electrical and electronic appliances comply with all applicable electrical standards.

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.

The company has set quantitative goals in terms of relationship management and accountability to key customers as follows:

- Receive satisfaction ratings for management and customer service. The goal is to score a satisfaction rate of more than 85%.
- Number of new customers There is an increase of 3% in the following years.

Number of new customers (company)		increase (decrease)
Year 2021	Year 2022	
136	148	8.82%

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 2022, 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.

Customer Satisfaction Improvement Plan

In business organizations it is important. This is because creating satisfaction drives consumers to make purchase decisions and make repeat purchases. Including being loyal to the brand. which results in good long-term profits There are many ways to satisfy customers such as

1. The company has focused on developing relationships between company representatives and customers. By focusing on developing labor skills, both soft skills and hard skills as well
2. Meeting customer expectations It will be something that the company focuses on in the long run. The customer can access the company's representatives at any time.
3. Pay attention to the opinions of the customers. Build good relationships with customers by paying attention to customer opinions or feedback received from customers. Then bring to improve, modify, develop products. Including various services where customers complain These are also important in building a good relationship with customers as well.

Customer Relationship Management

The Company has established a customer relationship management plan on a regular basis. To continuously build trust and relationship with customers, for example, executives visit customers in various regions across the country, open houses to both domestic and foreign customers, etc.

In 2021, due to the epidemic of the Coronavirus 19 (COVID-19), the Company managed relationships with customers in the New Normal format to connect relationships. meet customer needs and expectations Raise the level of comprehensive service and create sustainability for society together

Maintaining Customer Data

Maintaining customer information is of utmost importance in running a business. The company has set the level of access to information according to the importance. In order to prevent customer information from leaking to third parties, the Company also has established guidelines for disclosure of information that are in line with the guidelines of listed companies announced by the Stock Exchange of Thailand. The company promotes the use of information technology systems that have a systematic monitoring and risk management process. cyber security Including measures to maintain the security of the information technology system to cover the operation and risk management of information technology.

Information Technology Security Policy (IT Security Policy)

It has defined duties and responsibilities for information technology risk management and identification of information technology related risks.

1. The risk of using computer programs on the Company's computers To prevent the use of installing programs that are unsafe or malicious, such as downloading programs from outside to install. which may

contain malware or computer virus Or there is a vulnerability to connect to an external network To attack a working computer or another computer on the same network, etc.

2. Risk of using the Company's computer network system Internal network and internet system usage must be monitored and monitored. There is a system to prevent access and attacks from outside to the server computer and the client computer that the operator uses, such as a system to prevent access through the Internet. Installing a computer antivirus program E-mail filtering, etc.

Personal risk Computer system access rights must be assigned. Various network devices and data according to their rights. to prevent access to corrections or changes to information

Maintaining the security of IT systems (IT Security) Additional guidelines for policies and measures for IT security (Information Security Policy)

1. Do not use computer resources and networks. To act illegally and against the good morals of society, such as setting up a website to conduct trading or disseminating illegal things or contrary to good morals, etc.
2. Do not access the computer network or computer with someone else's account name both permitted And without permission from the owner of the account name Do not access the computer system and information that is protected from access by others to modify, delete, add or copy.
3. Do not disseminate other people's information. or of departments Without permission from the owner of that information.
4. Do not intercept data in the company's computer network. and of others that are in the process of receiving and transmitting in the computer network
5. Users must not allow others to use their account and password to access the computer together.

The company plans and invests to develop work systems to support new technologies. and prevent possible risks by regularly improving the network system There is strict security. There are systematic measures for accessing information of each party. There is a backup of the data system to ensure emergency situations that may occur. In 2022, the company has no IT security disputes.

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 cash. And crediting trade As of December 31, 2022, the company's trade accounts receivable per net sales accounted for approximately 13.00 percent by setting guidelines according to the credit policy for new customers as follows:

New Customer Credit Policy

For general industrial motors and water pumps that the company distributes to general stores. that large number type of customer Can be divided into 2 levels:

1. Retail stores

Retail stores include a shop that has been in business for less than 2 years (it is important to look at the legal registration book) or Have registered capital less than 1 million baht

For that retail store When starting the first 3 trades, payment must be made in cash upon delivery. or on the day of delivery after the trial period Have the salesperson make a request for an appropriate credit limit and credit period. Presented to the sales manager, assistant managing director of marketing. Approved in the next order

Documents after the credit limit has been approved will be kept at the Deputy Managing Director of Accounting and Finance.

Bad debt liability If it occurred in the first year after crediting The salesperson is responsible for paying the company 100% within 1-2 years, depending on the amount of bad debt incurred.

If it occurs in the 2nd and 3rd year, the responsibility of the salesperson is 50% of the amount of bad debt incurred. Able to repay the Company in 1-2 years, depending on the amount of bad debt incurred.

2. Medium and large stores

For medium and large customers means a juristic person with a registered capital of more than 1 million baht, doing business selling the same type of products or competitors' products for more than 2 years (depending on the legal registration letter) or one that meets the criteria

The salesperson is responsible for presenting the appropriate credit limit and suitable credit period to the sales manager for approval. and presented to Assistant Managing Director of Marketing is the next person to approve.

Documents after the credit limit has been approved will be kept to the Deputy Managing Director of Accounting and Finance in the next order

Bad debt liability If it occurred in the first year after crediting The salesperson is responsible for paying the company 100% within 1-2 years, depending on the amount of bad debt incurred.

If it occurs in the 2nd and 3rd year, the responsibility of the salesperson is 50% of the amount of bad debt incurred. Able to repay the Company in 1-2 years, depending on the amount of bad debt incurred.

3. Specially manufactured products

However, there are also "custom made items" (made specially for customers, In this case, the seller will charge a minimum deposit of 30% or more. from this new customer On the first 2 purchases, when it's time to consider applying for credit, proceed as above.

For "Specially Made Goods" (specially made for customers cannot be sold to others) to current or existing customers Let the salesperson do something special. Request to waive the deposit with reasons The credibility and purchase history of customers to the sales manager for approval. and presented to The Assistant Managing Director of Marketing is the next person to approve. In this case, the salesperson must be 100% responsible in the event that the customer does not receive the product.

- In the event that the product is in stock Customers must transfer money in cash. only before delivery

- In the event that the product is special Or being ordered to produce by a specific customer, the company will collect the full amount in cash.

- In the case of normal products Can be used with multiple clients But there is no product in the warehouse, the company will collect some cash payment first, such as 30 percent, 50 percent, depending on the consideration of the company.

For customers who receive trade credit, the company has a policy to give credit terms for most of them, about 30 days but not more than 120 days, except foreign customers will give trade credit about 30 - 75 days, in which the credit term must be considered. Approved by the management of the company on a case by case basis. In the case of overdue trade receivables according to the conditions, the company will follow up and collect according to the specified procedures. Since the verbal follow-up Written track until the end of the legal action. The criteria for analyzing the

debtor's aging together with the assessment of the current financial status of the debtor are used as criteria for determining the allowance for doubtful accounts. The age range of the debtor and the status of the debtor are determined as criteria for setting up the allowance for doubtful accounts of the debtor who has 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 2022, the company had to participate in online activities instead of physically attend the events such as:

1. Thai-Chinese online business negotiations (transformers, generators, electric massage chair, motor, pump) via online system (Online) in June 2022
2. The 13th Air Conditioning and Refrigeration Exhibition (Bangkok RHVAC 2022) at BITEC Bangna Exhibition and Convention Center in September 2022.

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

Current 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

The main situation affecting the global economy is the Ukrainian-Russian conflict that has been going on for several months and does not seem to be going to stop easily. Russia Therefore causing conflicts and many countries around the world have sanctions against Russia by cutting off trade with Russia altogether and more than 400 companies have announced the withdrawal of business from Russia. And the situation of inflation has risen in many years. which has increased since the end of last year The US Federal Reserve or the Fed signaled to start adjusting the policy rate, ending the bond repurchase program according to quantitative easing measures. (Quantitative Easing: QE) and balance sheet reduction Quantitative Tightening (QT) Currently, the Fed has voted to raise interest rates by 0.25% to a range of 4.50%-4.75% in order to stave off the highest inflation in 40 years. That would cause the global economy to face stagflation.

However, the global economy still has issues to watch, such as rising oil prices. The main factor that causes global crude oil prices to rise comes from increasing global oil demand as the world economy begins to recover from

the COVID crisis. make the journey start to come back higher Plus the Ukraine-Russia war in which the United States sanctions Russia, a major exporter of crude oil and gas. thus affecting world oil prices. After the world oil prices have continued to rise. resulting in production costs raw material cost and the cost of transportation increases the price Entrepreneurs need to adjust product prices accordingly. Plus many countries have sanctions against Russia. causing a shortage of some types of goods or raw materials As a result, the price of those types of products is also increased. Causing inflation around the world and after the Fed announced an interest rate increase The US economy may face a recession with high inflation. higher household debt low employment rate Therefore, investors choose to sell off all risky assets. to hold the US dollar resulting in the dollar appreciating continuously When uncertain events occur, it affects oil prices, inflation, and affects product prices. It also affects investment markets such as the cryptocurrency asset market, the US stock market, and the gold market, etc.

Thailand Industrial Economic Conditions in 2022 and Trends in 2023

As for the overall picture of the Thai economy in 2022, it grew by 2.6% per year as a result of the recovery of the tourism sector. and the continuous improvement in domestic demand. both consumption and private investment spending Private consumption grew by 6.3% and private investment grew by 5.1%, with service exports returning to a high growth of 65.7%, while merchandise exports grew only 1.3%, while government investment decreased. down 4.9%. On the production side, accommodation and food services returned to growth 39.3%, transportation and storage increased 7.1%, and wholesale and retail sales rose 3.1%.

Economics Trend for 2023

It is expected to expand in the range of 2.7 - 3.7% per year with an average growth rate of 3.2% per year, lower than previously expected to grow in the range of 3-4% per year, with supporting factors This was mainly due to 1) the recovery of the tourism sector, 2) the expansion of both private and public investment, 3) the continued good growth of private consumption, and 4) the growth in The agricultural sector is favorable. Private consumption is expected to expand by 3.2%, private investment and public investment to grow by 2.1% and 2.7%, respectively, and the value of exports in US dollars will decrease by 1.6. % Average headline inflation is in the range of 2.5 – 3.5% and the current account balance is in a surplus of 1.5% of GDP. Important issues for macroeconomic policy management in 2023 are as follows:

- 1) Resolving debt problems of retail debtors Both household debt and small and medium enterprises (SMEs)
- 2) Monitoring agricultural production and farm income by preparing measures to support agricultural products that will be released to the market Strengthening the agricultural production chain production restructuring and the expansion of sustainable farming and organic farming.
- 3) Maintaining the momentum of merchandise exports by (i) facilitating and reducing export-related costs; (ii) exporting merchandise to markets with promising economic growth prospects. and the creation of new markets with high purchasing power; (iii) monitoring of global trade situations and conditions; (iv) development of agricultural, food and industrial products. To have quality and standards that meet the requirements of the importing country. and vi) Encouraging the business sector to manage risks appropriately to cope with exchange rate fluctuations.
- 4) Supporting the recovery of tourism and related services by (i) solving problems and preparing the tourism sector to accommodate the return of foreign tourists; including considering credit measures and other supporting measures to enable operators to resume business; (ii) promoting high-quality and sustainable tourism development; (iii) organizing tourism promotion and related activities; and (iv)) Promotion of domestic tourism

- 5) Promotion of private investment by (i) accelerating the entrepreneurs who have been approved and issued investment promotion certificates during 2020 - 2022 to generate real investment. especially investment projects in targeted industries; (ii) solving problems that foreign investors and entrepreneurs see as obstacles to investment and business operations. (iii) Proactive investment promotion measures and facilitation to attract investors in targeted industries and services; (iv) Investment promotion in the Eastern Economic Corridor (EEC).) and special economic development zones; (v) driving investment in developing key economic areas and transport infrastructure; and (vi) developing a highly skilled workforce to support technology-intensive and innovative industries.
- 6) Driving public expenditure and investment together with increasing fiscal space To absorb risks from volatility in the medium term and increase the potential of economic growth.
- 7) Monitoring, monitoring and evaluating the volatility of the global economy and finances; and
- 8) Maintaining the economic and political climate in the country

2. Electrical and electronic industry

The forecast growth rate of the Manufacturing Production Index (MPI) in 2023 is expected to expand in the range of 2.5 - 3.5 percent, supported by (1) increased domestic demand; Due to the opening of the country, resulting in more employment in non-farm sectors, private consumption increased. (3) favorable growth trend of the agricultural sector according to the trend of expanding agricultural products with an important supporting factor from that quantity that is sufficient for cultivation As a result, purchasing power from the agricultural sector continued to improve.

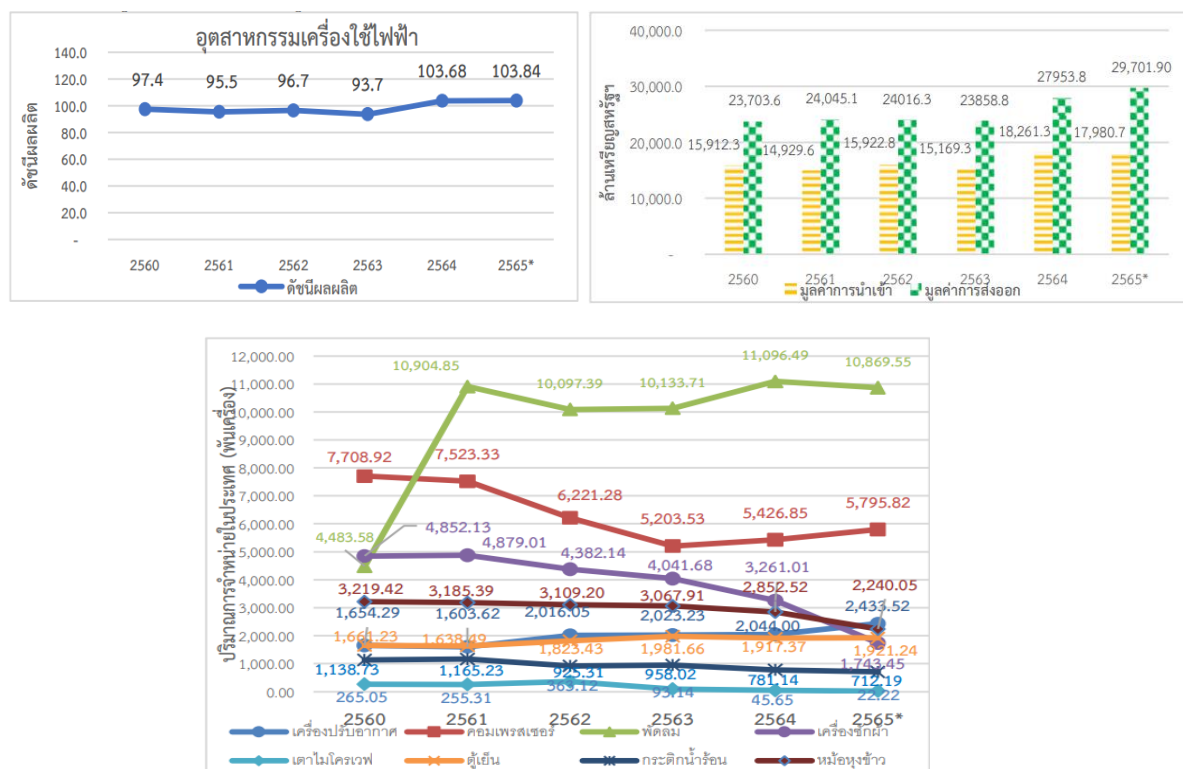
Electrical appliances are expected to have an increase in production and exports of about 5.0 - 10.0 percent compared to the previous year. from the global economy and Thailand's main export market recovering from the outbreak of the COVID-19 virus. and innovation development modern technology improvements especially electrical appliances that are important health and environment Also, the trade conflict between the United States. And China should provide an opportunity for Thailand to be able to export some types of electrical appliances such as air conditioners and refrigerators to the US market, resulting in the tendency of demand for electrical products and the volume of orders for electrical products. in Thailand continues to increase

The electronics part is expected to produce and export electronic products to increase by 5.0 - 10.0 percent compared to the previous year. as the global economy recovers from the outbreak of the COVID-19 virus and the adjustment of semiconductor manufacturers from the chip shortage situation This has resulted in a steady demand for electronic products as well as an increase in remote work and education. Causing increased demand for electronic products both domestically and internationally

Electrical appliance industry

The production of electrical appliances in 2022, compared to 2021, increased slightly by 0.2 percent from electric motors, compressors, electric cables, fans, and air conditioners. with an increase as the world economy began to recover from the situation Outbreak of the COVID-19 virus As a result, there is an increasing demand for electrical products. And there are exports of hot water heaters. Transformers, electric motors and air conditioners increased.

Production index Import value and export value electrical appliance.



Source: Production data: Office of Industrial Economics, Import-export data: Electrical and Electronics Institute

Production of electrical appliances in 2022 expanded compared to the previous year. The MPI was at 103.8, a slight increase of 0.2 percent (%YoY). However, the increase in electrical appliances included electric motors, compressors, electrical cables, fans. and air conditioning increased by 12.1, 10.8, 10.2, 7.2 and 5.3, respectively, due to an increase in foreign orders. While the products that decreased were microwave ovens, washing machine Kettles, rice cookers and refrigerators decreased by 18.6, 15.5, 14.5, 13.5 and 4.7 percent, respectively, due to a decrease in domestic sales and orders from abroad.

Domestic sales In 2022, the products sold in the country have increased compared to the previous year, including air conditioners, compressors and refrigerators increased by 16.7, 6.4 and 0.2 percent, respectively, while microwave ovens Washing machines, rice cookers, electric kettles and fans shrank by 105.4, 87.0, 27.3, 9.7 and 2.1 percent, respectively.

The import of electrical appliances in 2022 was valued at 17,980.7 million US dollars, contracted 1.6 percent from the previous year (%YoY) from imports of air conditioners, rice cookers, refrigerators, compressors, and washing machines.

The export of electrical appliances in 2022 was worth 29,701.9 million US dollars grew by 5.9 percent from the previous year (%YoY) from the export of water heaters. Transformers, electric motors and air conditioners

Electrical industry trends for 2023

It is expected that there will be an increase in production and exports of about 5.0-10.0 percent compared to the previous year, from the global economy and Thailand's main export market recovering from the outbreak of the COVID-19 virus, and innovation development modern technology improvements Especially electrical appliances that care about health and the environment. In addition, the trade conflict between the United States and China should allow Thailand to export some types of electrical appliances such as air conditioners and refrigerators to the US

market, resulting in a tendency to demand more electrical appliances and appliances. The volume of orders for electrical products in Thailand continues to increase in 2023

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.

The company has policies and guidelines for communicating information about product impact that customers or users should know clearly and straightforwardly. The main policy is Quality product presentation meet customer requirements and have excellent and continuous after sales service for sustainable development All employees are experienced in motor field. For a long time, experience, expertise is excellent. All sales staff must be trained on best practices in communicating information with customers. There is training to understand the product and its use regularly all the time. Educate customers with truthful information only. Guidelines and information for advertising and various media used by the company must be audited and controlled by the responsible department and those who have direct experience with the company only.

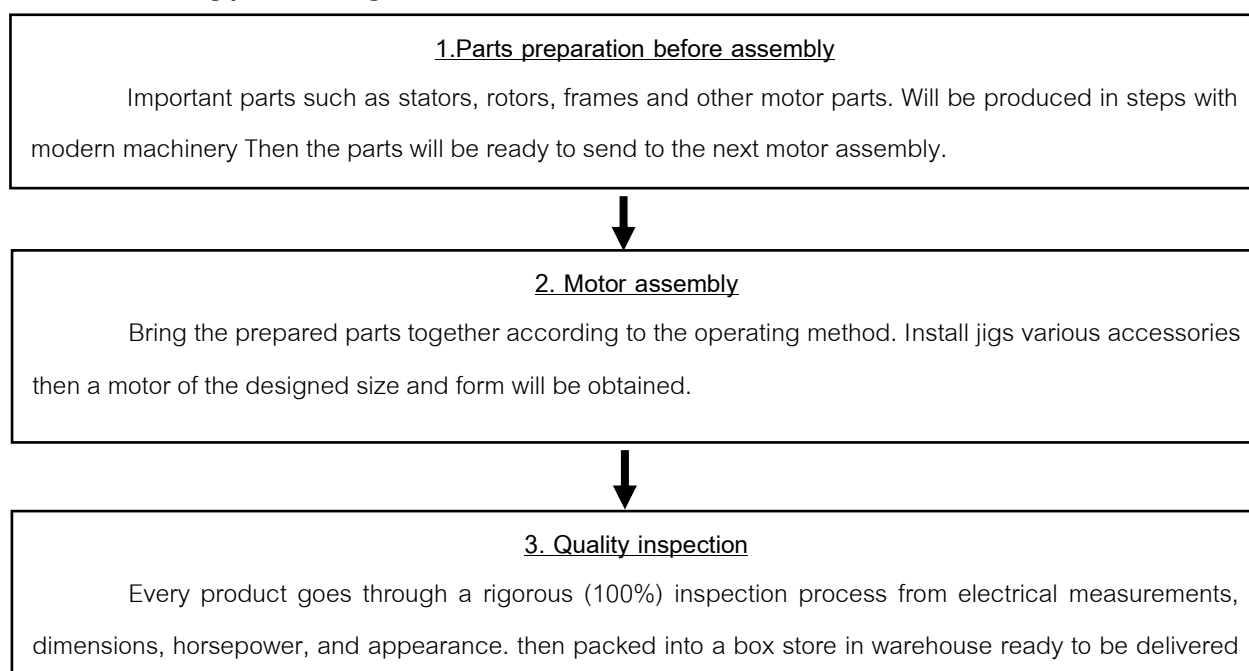
In addition, the company has channels to communicate information about the impact of products such as product labels, usage documents. There are important details such as the manufacturer, production date, production location, method of use, size, weight, usage, warning, contact for customers, warranty card. Various conditions in the product warranty, etc., so that customers can understand the product that meets the characteristics and properties of the product. As can be seen as follows



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's procurement criteria and practices are transparent, fair, and non-discriminatory. Including guidelines for selecting business partners, such as selecting business partners with potential for sustainable business operations. The quality of the product is standard. Goods and services are delivered on time. There is no violation of labor laws and human rights, etc. Due to 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.

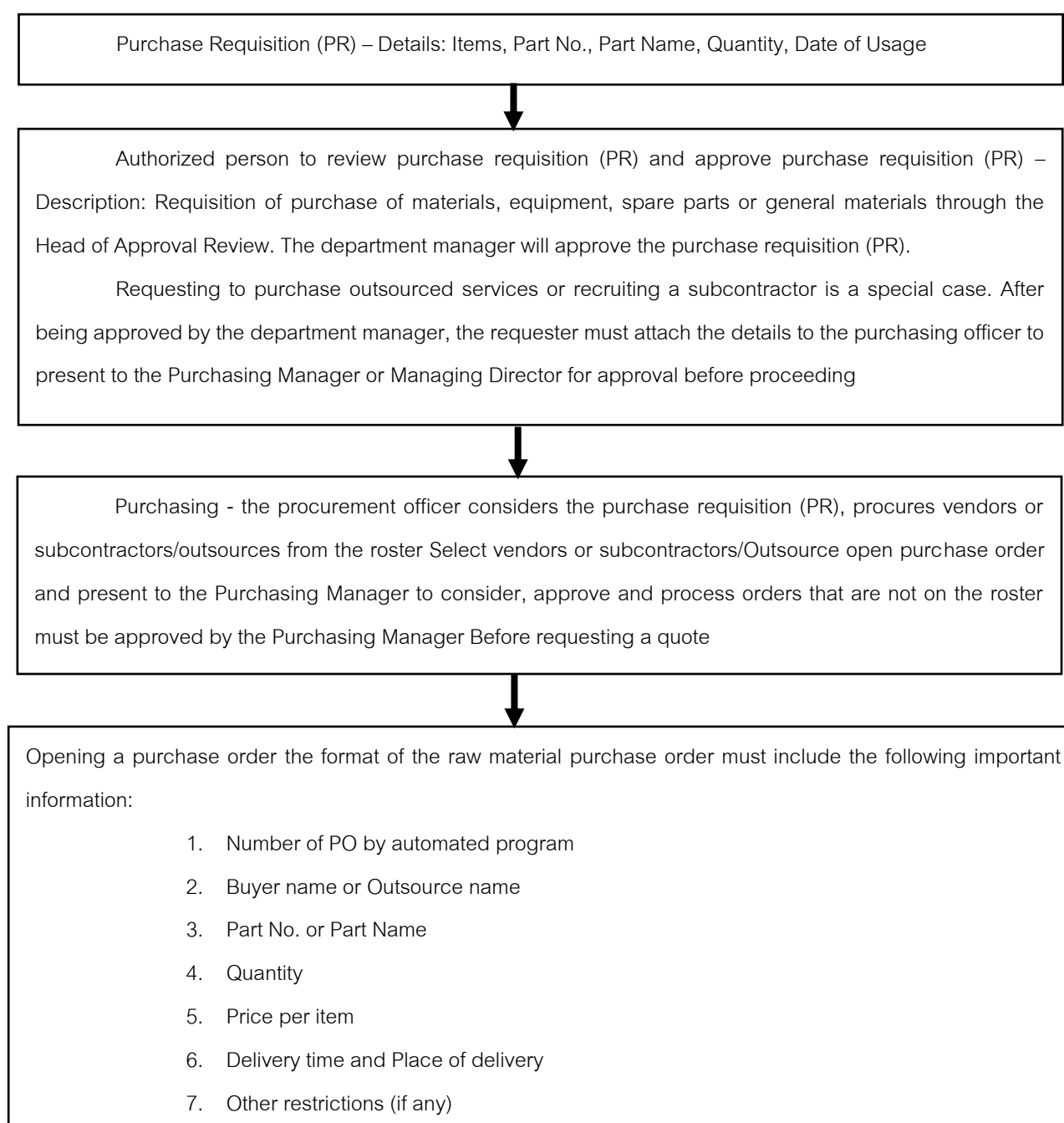
The company will select a supplier from the company's list of supplier and on the list; each supplier is ranked with a score that was already given. For ones that are not on the list such as the new suppliers, the supplier is required to bid and compare according to the procurement operation procedure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

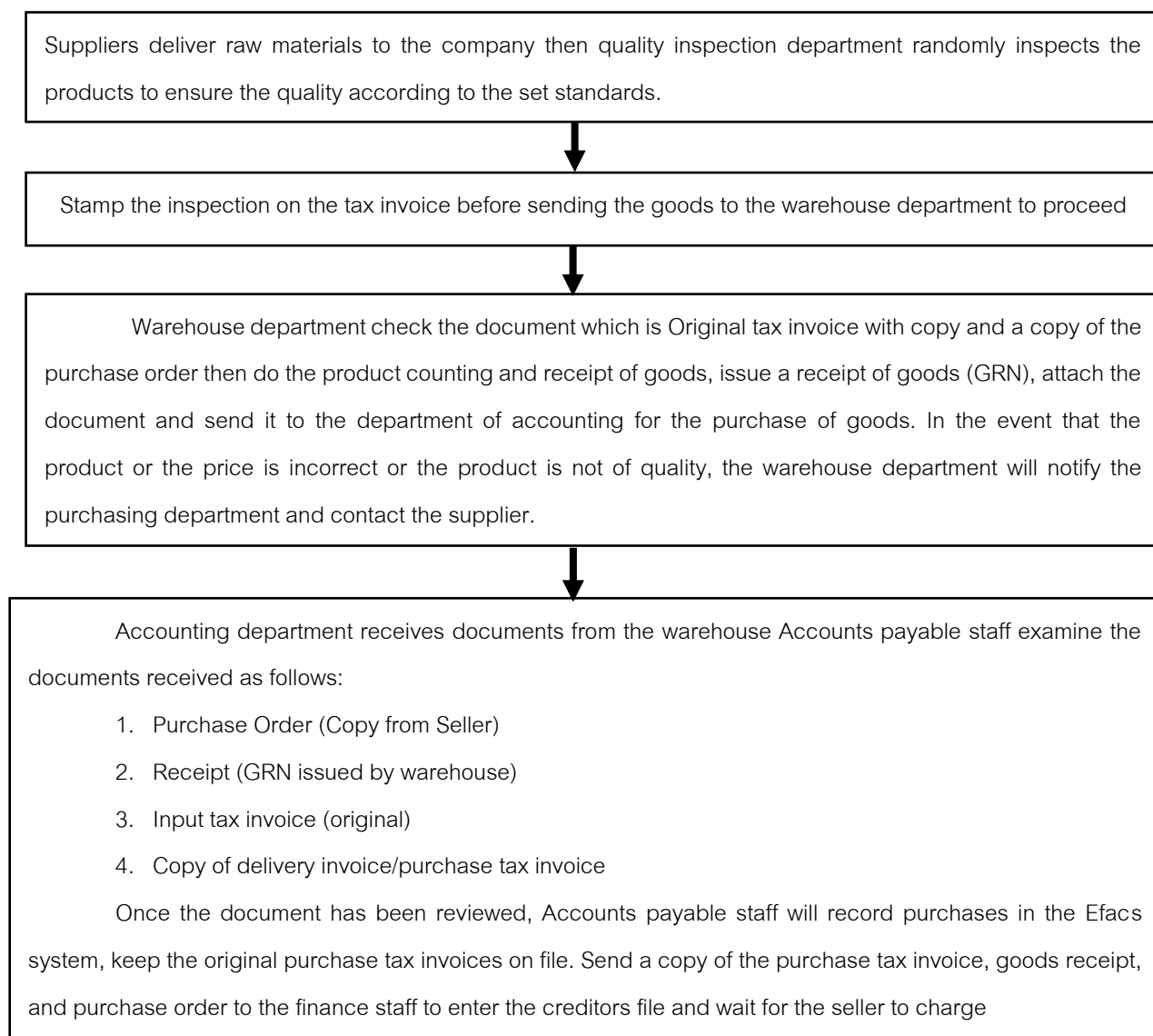
When evaluating suppliers of raw materials or parts used in production, the company will evaluate the supplier based on the delivery score, service on time and quality rating and this is done twice a year. In addition, the company requires the purchasing staff to review the supplier assessment results 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, and Polybrominated Diphenyl Ethers.

Details of main raw materials classified by type of raw materials

Main Raw Materials	Percentage of Purchase as of December 31 2022	Source of Raw Material	
		Domestic	Overseas
Copper	22.62%	✓	
Silicon Steel	22.75%	✓	
Aluminium	7.54%	✓	

Remarks: Percentage of purchase vs. total purchase value

The table shows the quantity of purchases for each type of main raw material from 2020 – 2022 (in Millions Baht)

Company / Partner	Main Raw Materials	2020		2021		2022	
		value	%	value	%	value	%
1. Kulthorn	Material Copper	132.60	24.67	206.22	25.71	213.26	22.62
Cont							
2. Bangkok Pacific	Silicon Steel	105.11	19.63	185.84	23.37	214.50	22.75
3. SS Ingot	Aluminium	38.97	7.32	58.10	7.34	71.07	7.54

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

Environmentally friendly procurement (Green Procurement)

Global warming is a major problem. As a result, it affects people's lives and economy in many dimensions, including impacts on the environment, society and all stakeholders. coupled with the expansion of the industrial sector whose production consumes energy that causes global warming And there is more waste from industrial waste that has a direct impact on the environment. These are important factors causing pollution to the community. This pollution problem is considered a very important issue around the world. There is a trend of social responsibility in various organizations. Encourage organizations to be more environmentally responsible.

This cumulative and intensifying environmental pollution problem It is the driving force for the development of the organization to become a green organization (Green Organization), which is a process that is committed to reducing environmental problems sustainably. Organizations have defined the scope and meaning of a sustainable green organization (Sustainable Green Organization) to mean an organization that conducts business and activities with policies and guidelines on the use, promotion and conservation of natural resources and the environment. with an organizational culture of cultivating consciousness Set guidelines, communicate and convey them to personnel in the organization and those involved in social and environmental responsibility. Social responsibility must be taken into account. including internal responsibilities such as increasing quality, reducing costs, reducing waste, and laws related to business operations without neglecting external responsibility for green procurement Meeting customer needs Awakening to innovation and building a reputation for environmentally friendly products.

Roles of Purchasing Agencies in Becoming a Green Organization

Purchasing is an agency that can effectively drive the green supply chain. By conducting the procurement process in accordance with appropriate standards in the procurement of goods and services. Selection of suppliers Including consideration of raw materials It is therefore a responsible role for the environment and stakeholders to build partnerships between companies and suppliers and promote the adoption of clean production principles.

Therefore, the company pays attention to the procurement process. The management has therefore supported to promote environmentally friendly procurement operations or Green procurement and emphasized on setting policies on the environment. This is to meet the needs of customers who want to consume products that are environmentally friendly.

Environmentally friendly procurement policy “Green Procurement

The company has set a policy "Environmentally friendly procurement or Green Procurement" is used in the organization. To create a mechanism to reduce the use of resources and reduce the emission of waste and less pollution. Reduce and stop using harmful chemicals. including reducing greenhouse gas emissions It also encourages departments within the organization to have knowledge and understanding of the rules and regulations related to environmentally friendly procurement. under the following guidelines

- (1) chemical control
 - Substance control according to RoHS standards. (certify that no prohibited substances are used) and certification of special production processes)
 - Control chemicals that affect the environment.
- (2) Encourage the adoption of the 3R principle (Reduce, Reuse, Recycle) in the company.
- (3) Appropriately handle the waste discharged from the production process. by reducing the amount and trying to recycle
- (4) Labor, safety and health reduce the risk of hidden dangers in work. and create suitable workplaces
- (5) The company participated in the Green Industry project by the Ministry of Industry.
- (6) The company has selected products marked with the green label to be used in the organization.

Assets used in business

Appear in Attachment 4 Assets Used in Business Operations

Pending work only for projects or high-value items. And take time to deliver the work

Do not have

4.2 Intangible assets used in business operations

As of December 31, 2022, the Company has intangible assets such as computer programs which is worth 4.18 million baht, with details as follows:

Details	Value (Million Baht)
cost price	12.91
Less accumulated amortization	(8.73)
book value	4.18

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

Important conclusions of the contract

<i>Important terms of the contract</i>	: 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>	: 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 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

Counterparties	:	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>	:	<ol style="list-style-type: none">1. After checking the list of raw material parts according to the specifications that have been notified2. 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, 2022, the Company has overdraft lines and short-term loans from local financial institutions in the amount of 200 million baht (2021: 128.9 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. 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.

At present, the company has registered the dissolution of VSM (Thailand) Co., Ltd. (subsidiary) with the ministry of commerce since July 2021 since the subsidiary sold all assets and inventories to the company to continue the business, causing the subsidiary company to have no movement. The contractual rights in section 2, the Supply Agreement, and the rights in section 3, the Exclusive License Agreement, remain intact.

4.3.5 Policy

Contract 1		Bangkok Insurance Public Company Limited
<i>Policy number</i>	:	823-01551-129
<i>Policy type</i>	:	Property all risks insurance it covers loss or damage to the insured property directly caused by fire, lightning, vehicle perils, smoke perils, and aircraft perils. Perils due to water, explosions, forest fires, wind storms, earthquakes and hail. The threat of protests strike riots or acts of malicious intent and accidents caused by external factors that are not specified in the property insurance policy . (GIA FORM date 01.01.2016)
<i>insured property</i>	:	The insured property consists of <ul style="list-style-type: none"> 1) The building (excluding the foundation) including improvements <ul style="list-style-type: none"> Including furniture, tools, office equipment ready appliances and electrical equipment, fences, gates, shrines Electrical and lighting systems, water supply systems, telephone systems

	air-conditioning system, fire-fighting system and utility system within the building worth 80,000,000 baht
	2) Furniture, decorations, fixings, worth 4,100,000 baht
	3) Stock products worth 420,000,000 baht
	4) Machines with fittings and spare parts worth 360,000,000 baht
	5) Tools and molds worth 103,000,000 baht
	6) Computer specific hardware worth 2,800,000 baht
<i>property location</i>	: 78,78/4,78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakompathom 73120
<i>Period</i>	: 6 February 2023 to 6 February 2024
<i>Protection limit</i>	: 1,059,900,000 baht
<i>Beneficiary</i>	: Pioneer Motor Public Company Limited

Contract 2 Bangkok Insurance Public Company Limited	
<i>Policy number</i>	: 823-01581-126
<i>Policy type</i>	: Legal Liability Insurance to Third Parties under the policy as per the attached documents as follows: <ol style="list-style-type: none"> 1. Liability coverage due to fire and explosion 2. Protect legal liability arising from judgments or the judicial process of the Thai courts only 3. Attachment to the extension of protection for overseas operations of directors or executives or employees (Ror.Bor.003) 4. Attachment extends coverage for medical expenses for injuries occurring within the workplace (Ror.Bor.008) 5. Liability due to disasters caused by water 6. Attachment extends the coverage for liability arising from the parking place. (Ror. Bor. 001) (except loss or damage to decorative accessories Any property or luggage inside the vehicle and the loss of the entire vehicle) 7. Attachment extends liability coverage arising from providing first aid by the insured (Ror.Bor.104) 8. Liability arising from other machinery including forklifts.
<i>property location</i>	: 78,78/4,78/5 Moo 3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri, Nakompathom 73120
<i>period</i>	: 6 February 2023 to 6 February 2024
<i>Protection limit</i>	: 10,000,000.00 baht
<i>beneficiary</i>	: Pioneer Motor Public Company Limited

1.3 Shareholding Structure of the Group

1.3.1 Shareholding Structure of the Group

Shareholders

(1) List of major shareholders

(2) The list of top ten major shareholders as of 10 March 2023 is as follows.

Shareholders	No. of shares held	% of paid up capital
1. <u>Group Itthirojanakul</u>	390,592,700	56.205
Miss Prangvadee Itthirojanakul	67,642,740	9.734
Miss Chidchanok Itthirojanakul	65,577,840	9.436
Miss Narerat Itthirojanakul	64,978,100	9.350
Miss Sirirat Itthirojanakul	64,966,700	9.348
Mr. Papat Itthirojanakul	64,966,600	9.348
Mr. Wasupol Itthirojanakul	58,600,020	8.432
Mr. Wasun Itthirojanakul	3,860,700	0.556
2. Thai NVDR company limited	28,192,837	4.057
3. Mrs. Podjamarn Wongsuwan	4,000,000	0.576
4. Mr. Nopparit Pantitra	3,875,900	0.558
5. Mr. Piya-anan Tosakulwong	3,384,700	0.487
6. Mr. Akkaraphon Asawaparamitchai	3,100,000	0.446
7. Mr. Boonsong Bunyaban	3,025,000	0.435
8. Mrs. Saengduan Bunsripitak	2,820,400	0.406
9. Mrs. Wanna Akkaneewanich	2,503,300	0.360
10. Mrs. Darunee Santeeraseeharuchai	2,410,000	0.347
Retail investors	251,039,697	36.124
Total number of shares	694,944,534	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 56.205, consisting of the No. 1 shareholder and Mrs. Podjamarn Wongsuwan, who hold the total number of shares 4,000,000 shares representing 0.576 percent of the paid-up capital

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

List of directors and executives	No. of ordinary shares (shares)					Proportion of shares held (%)
	As of 19 Jan. 2022		As of 10 Mar 2023		increase / decrease	
	Direct	Indirect	Direct	Indirect		
1. Mr. Satian Pooprasert	-	-	-	-	-	
Spouse and underage children						

List of directors and executives	No. of ordinary shares (shares)					
	As of 19 Jan. 2022		As of 10 Mar 2023		increase / decrease	Proportion of shares held (%)
	Direct	Indirect	Direct	Indirect		
2. Miss Jirayong Anuman-rajadhon Spouse and underage children	-	-	-	-	-	-
3. Mrs. Pennapha Dhanasarnsilp Spouse and underage children	-	-	-	-	-	-
4. Police general. Sakda TechaKriengkrai Spouse and underage children	-	-	-	-	-	-
5. Mr. Wasun Itthirojanakul Spouse and underage children	2,860,700	-	3,860,700	-	1,000,000	0.556
6. Mr. Christopher Robert Tape Spouse and underage children	2,000,000	-	2,000,000	-	No change	0.288
7. Mr. Christopher Robert Tape Spouse and underage children	4,000,000	-	4,000,000	-	No change	0.576
8. Miss Sirirat Itthirojanakul Spouse and underage children	64,966,700	-	64,966,700	-	No change	9.348
9. Miss Narerat Itthirojanakul Spouse and underage children	64,978,100	-	64,978,100	-	No change	9.350
10. Mr.Papat Itthirojanakul Spouse and underage children	64,966,600	-	64,966,600	-	No change	9.348
11. Mrs. Panun Pongpanich Spouse and underage children	200,000	-	200,000	-	No change	0.029

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

Director, top management Or the first 4 executive level positions taken from the top executive down Every person holding a position equivalent to the 4th executive level, including a person holding a position higher than or equivalent to the accounting manager including spouses and minor children Must report the holding of the company's securities to the Securities and Exchange Commission within 30 days from the date of holding the position. and report the change in securities holding within 3 days from the date of the change. Must notify the company at least 1 day in advance before buying/selling securities through the company secretary.

1.4 Amount of registered and paid-up capital

The company has a registered capital of 213,149,676.75 million baht, paid in cash. 173,736,133.50 million baht, divided into 694,944,534 ordinary shares, 0.25 par value, with a free float ratio of 37.80 percent of the total ordinary shares.

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.

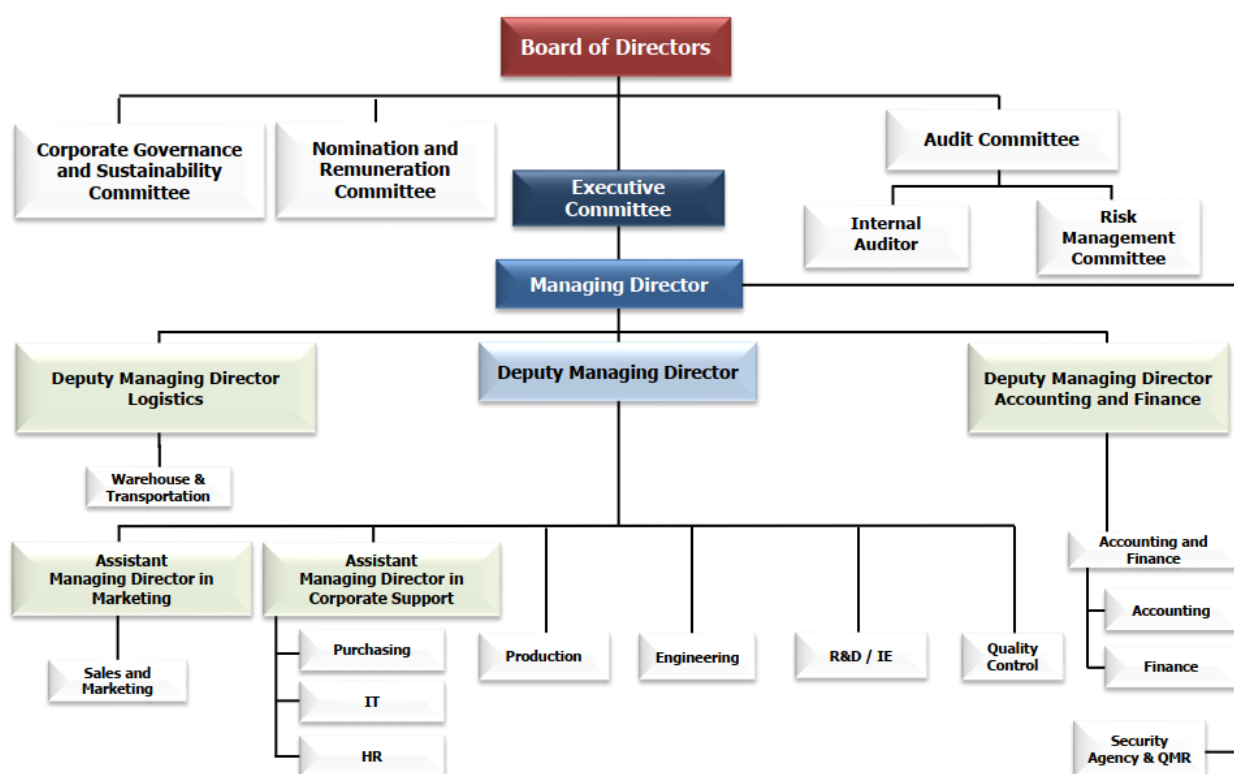
However, the payment of such dividends may change depending on the performance the Company's, financial status, liquidity, investment plan, and other factors related to management including other necessity and suitability in

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 2020 (1 Jan 20 - 30 Jun 20)	Year 2020 (1 Jul. 20 - 31 Dec. 20)	Year 2021 (1 Jan. 21 - 30 Jun. 21)	Year 2021 (1 Jul. 21 - 31 Dec. 21)	Year 2022 (1 Jan. 22 - 30 Jun. 22)
Net profit (Million Baht)	30.50	48.93	44.56	57.06	63.24
Paid dividends (Million Baht)	11.10	20.96	11.10	28.54	13.35
Dividend payment (Baht)	0.018	0.034	0.018	0.045	0.02
Dividend payout ratio (%)	36.38	42.83	24.90	50.03	21.12

Management structure



Executive positions

1. Mr. Wasun Itthirojanakul Managing Director
2. Mr. Christopher Robert Tape Deputy Managing Director
3. Mrs. Nucharat Itthirojanakul Deputy Managing Director of Logistics Division
4. Mrs. Podjaman Wongsuwan Deputy Managing Director of Accounting and Finance
5. Ms. Sirirat Itthirojanakul Assistant Managing Director, Marketing Division
6. Ms. Narerat Itthirojanakul Assistant Managing Director, Corporate Support Division
7. Mr. Papat Itthirojanakul Production Line Manager

Remark: - The definition of "management" accords 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

- Executive profiles are shown in attachment 1.

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 312.43 million baht; a large amount as it accounts for 26.13 percent of total sales revenue in 2022. 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 2022, the company has revenues from sales to OEM customers of 378.67 million baht or 31.67%, 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 2022, the company mainly distributed products to domestic customers and the amount was 549.99 million baht, accounting for approximately 46% of total sales while the sales volume to international customers was 645.51 million baht, or approximately 54%. 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 52.91 percent of the total cost of raw materials in 2022. 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 2022, the company had purchased copper wire which accounts for 22.63% of raw material, silicon steel at 22.76% and aluminum at 7.54% 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. Information technology security risks

Information technology risks are very important as they can directly affect the Company's operations. May cause damage to the company and have consequences.

Risk Management measures:

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.

9. 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 2022, the company exported products to international market amount 645.51 million baht and purchased raw materials amount 113.21 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 2022. 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.

2.3 Emerging Risks

The company reviews issues and trends of changes. annually For the analysis of potential new risks and business risks. To focus on developing measures and guidelines for managing and responding to risks in a timely manner in 2022, the company has identified emerging risks. Along with analyzing the impact that affects the business Including setting measures and management guidelines as follows

Risk from COVID-19 epidemic situation

The global economy has begun to be affected by the COVID-19 epidemic. which has spread rapidly and has expanded to cover a wide area in many countries The severity of the epidemic has led to a sharp increase in the number of infections and deaths worldwide. As a result, governments in many countries are forced to implement strict measures to control and limit travel within and between countries. However, the company itself has been affected directly and indirectly on business operations. Some customers or entrepreneurs Unable to operate business for a period of time due to the epidemic, sales declined, unable to operate at full efficiency as targeted.

Risk management measures

The company has worked hard to monitor and assess the situation. Dealing with crisis events that occur Put precautionary measures in place. and mitigate potential impacts for all groups of stakeholders. both customers in the country and abroad various partners, communities, society and employees, taking into account the safety of health and survival in crises is of the utmost importance. The company has reviewed and improved the continuity management plan (BCP) according to various situations that may occur, such as reducing unnecessary expenses. Reduce or postpone unnecessary investments. develop various technologies and automation systems and taking care of employees for health and welfare etc.

2.4 Sustainability risks ESG risks

2.4.1 Environmental risks (Environmental Risk)

Currently, climate change is a risk that poses great challenges to business operations and tends to have significant impacts on the economy, society and the environment. Because if there is an inefficient use of resources or there is no preparedness for impacts such as droughts or floods that cause loss of life and property. Including rapidly changing temperatures, there are also problems with PM 2.5 dust that is currently polluted. Most of the causes of PM2.5 are caused by combustion. both from vehicle engines and incineration of various materials, and also generate carbon dioxide emissions that are the main cause of greenhouse gas emissions. The problem of climate change is becoming more and more serious, resulting in social drives that focus on reducing carbon pollution and setting net zero carbon emission targets (Net Zero) in both the public and private sectors. Including the society to promote the use of renewable energy to support clean energy that is environmentally friendly. Supporting the transition to a low-carbon society And the government also has a policy to support electric cars. To reduce the use of private cars to reduce such pollution problems.

The impact on the business opportunities of the company and the company may need to consider in adjusting the business plan to meet the needs of consumers moving to a low-carbon society, therefore, may cause the investment cost to be higher than the set budget hold

Risk management measures

The Company intends to contribute to alleviate climate change problems. and is committed to contributing to the reduction of greenhouse gas emissions through collecting and calculating the amount of greenhouse gas emissions from business activities. And activities are promoted to conserve the environment and create carbon dioxide absorption

sources. Including the company has expanded the installation of all solar rooftop projects of the building. by setting a target for the proportion of electricity consumption which will reduce greenhouse gas emissions And can respond to the risk of rising temperatures from global warming.

2.4.2 Risk from safety, environment and community (Society Risk)

The company understands the importance of issues related to safety, the environment, and surrounding communities. The company therefore has policies and procedures in place to provide 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, training on safety and the environment is organized.

Risk management measures

The company recognizes the importance of the safety of employees. Therefore clarification and presentation of various 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 check for employees Inspection and elimination of unsafe spots in the workplace Fire evacuation, fire drills, etc. The company has developed to reduce energy consumption. There is a solar rooftop project to generate electricity for use in the factory, using LEDs in the factory.

2.4.3 Risk from fraud and corruption (Governance Risk)

The company is aware of the seriousness and importance of corruption problems from bribery. Lack of transparency in work This causes damage to the reputation and hinders the sustainability of the company. Therefore, the company has established an anti-corruption policy as a guideline for operations in various departments. 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 Private Sector Collective Action Coalition Against Corruption (CAC) project and is determined to apply for certification from the said project. so that stakeholders from all sectors have confidence in the company that it will operate its business with fairness, transparency, and free from all forms of corruption. and has been certified by the Thai Private Sector Collective Action Against Corruption (CAC)

Risk management measures

Regarding the prevention and suppression and risk management of fraud, the Company has measures to control and monitor important work processes that may cause fraud by the internal audit team to assess the risk and randomly check. To verify the correctness of the operation to be transparent and to prevent actions that may be corrupt. There are also communication channels for stakeholders to report clues and suggestions or make complaints about corruption. (Whistleblower) directly to the Audit Committee or the President. And a committee will be appointed to consider and investigate complaints according to a systematic process. Transparent and verifiable To create confidence and trust in the investigation process that is fair to stakeholders in all sectors.

3. Driving business for sustainability

3.1 Sustainability Management Policy and Goals

3.1.1 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:

Environmental management policy	Sustainable Energy Management Policy	Human Rights Policy	Sustainable Development Policy
			

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	Governance
- Performance and business growth : sustainable growth - Innovation : Create new	- Human resource development : develop employees to have potential	- Greenhouse Gas Management : Develop into a low-carbon organization	- Corporate governance and business ethics : Conduct business with transparency,

technology

- Value Chain Management :

Increase Capabilities

- Business Competitiveness

: able to respond to the needs
of customers

- 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

- 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

ethics, and responsibility to
stakeholders.

- Management of risks and

opportunities

- Business continuity

management: Manage

uncertainties that can affect the
business.

3.1.2 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.

The company has prepared a sustainable development plan in line with the vision and business strategy plan. It continues to adhere to the United Nations Sustainable Development Goals (SDG 2030) as the main goal in driving business in a balanced and sustainable way. Along with the fundamentals and policies of the company's sustainable development.

The main goal of the company's business operations

The company wants to grow and drive business. by increasing sales and profits for sustainable growth And able to pay dividends to shareholders regularly.

Management approach

The company is committed to conducting business in compliance with rules and regulations. Including the resolutions of the shareholders' meeting strictly. Integrating environmental, social and governance (ESG) risks into an organization's risk management system. under the supervision of the Sustainable Development Committee. Including through annual business unit visits

Business strategies to achieve company goals are as follows

1. The company has developed and been creative in introducing new products to the market. that can meet the needs of customers
2. The company intends to produce products that meet standards with high quality.
3. The company pays attention to after-sales service.
4. The company gives importance to all stakeholders.

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 3-5Years	Goals for 2022	Achievements in 2022
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 %	- Increased by 20 %
	- Add product	- more than 1 product / year	- more than 1 product / year	- New model of motor and Pool pump in 3 sizes
Environment	- Green area	- Increase the number of trees in the area by 5% per year	- 20 trees	- 16 trees

3.2 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

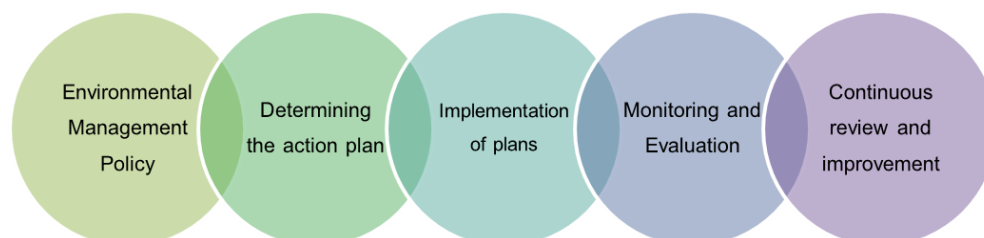
The Company has identified key stakeholders which consist of the key stakeholders, i.e., customers, business partners/ subcontractors/ suppliers / employees and shareholders / financial institutions. The secondary stakeholders are communities/society and government agencies/government organizations. 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.Shareholders / 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. • Keep customer information confidential. 	<ul style="list-style-type: none"> • Responding to customer satisfaction • Managing customer dissatisfaction. • Development of high-quality products with low cost and environmentally friendly • Keep customer information confidential. 	<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 • 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 	<ul style="list-style-type: none"> • Supplier Assessment • Communication through electronic media and phone regularly

Stakeholders	Stakeholder expectations	Response to Stakeholders	Channels for participation and communication
		an environmentally friendly processes and products • There is an anti-corruption policy. • Good corporate Governance and conduct annual report	
5. Community / Society 	• 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	• 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	• Community development activities • Create jobs and income for the community and society.
6. Government agencies / government organizations 	• Compliance with laws and regulations • Reducing the impact on the community, the environment and society • Cooperate with various government projects.	• Good Corporate Governance • Energy efficiency management • 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*	• Reporting results to government agencies. • Participation in various government projects and activities.

3.3 Sustainability management in environmental dimensions

Sustainability management in the environmental dimension consists of the following:



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

Target

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:

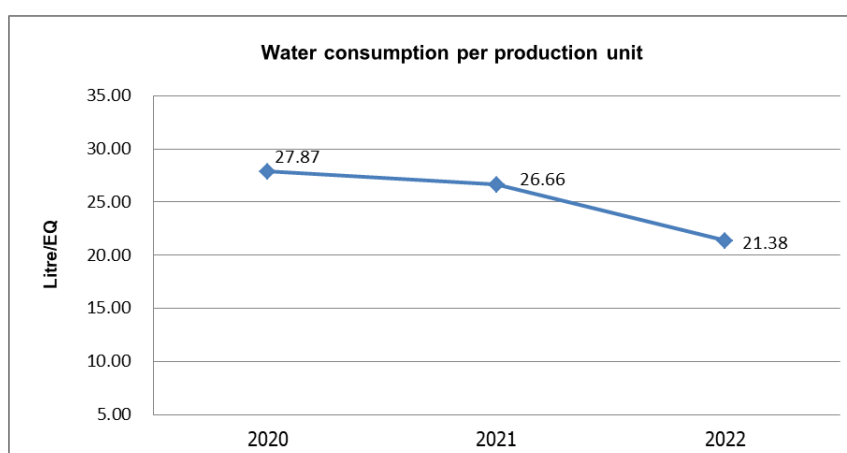
- Determine environmental management policies and the goal of reducing the amount of water used
- Analyze the physical and chemical data on the quality of incoming and outgoing water.
- Cooperate with stakeholders to develop/improve the reduction of water consumption by reducing and reusing
- Increase 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)

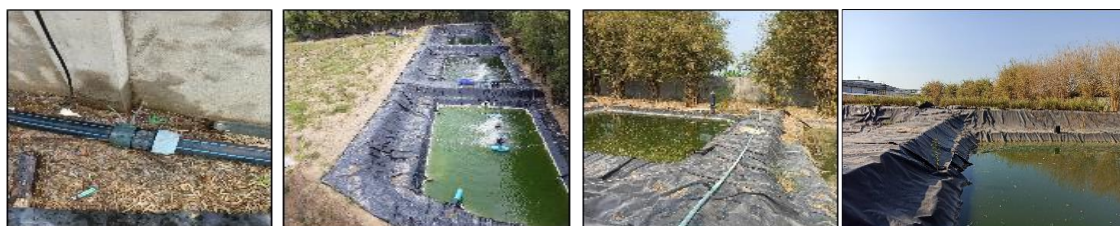
Performance results from the eco-efficiency optimization from water use per unit of product showed that the production of 1 EQ product uses a 1.21 percent decrease of water from the base year of 2021.

No.	Details	Water consumption per product unit			Compare year	Average (%)
		2020	2021	2022	2021 / year 2022 increase (decrease)	
1	Production amount (body)	822,323	911,521	904,817	(6,704)	(0.74)
2	Water consumption / cubic meter(m3)	22,915	24,300	19,349	(4,951)	(20.37)
3	Liters/Product Unit (Litre/EQ)	27.87	26.66	21.38	(5.27)	(9.78)



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

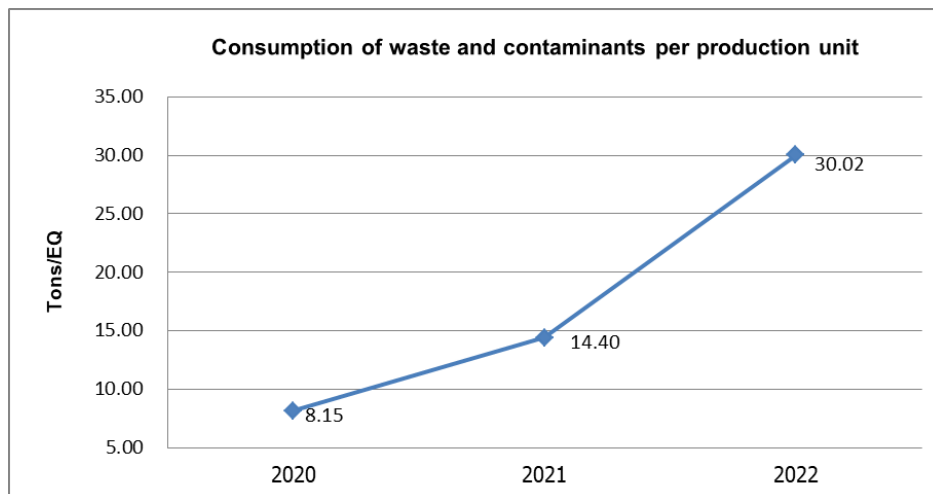
The Company has established an action plan to reduce the amount of hazardous waste per product unit whereby the wastages are classified, stored, and disposal methods are developed to reduce the amount of waste and add value to the waste according to the 4Rs principle. This leads to the reduction of greenhouse 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

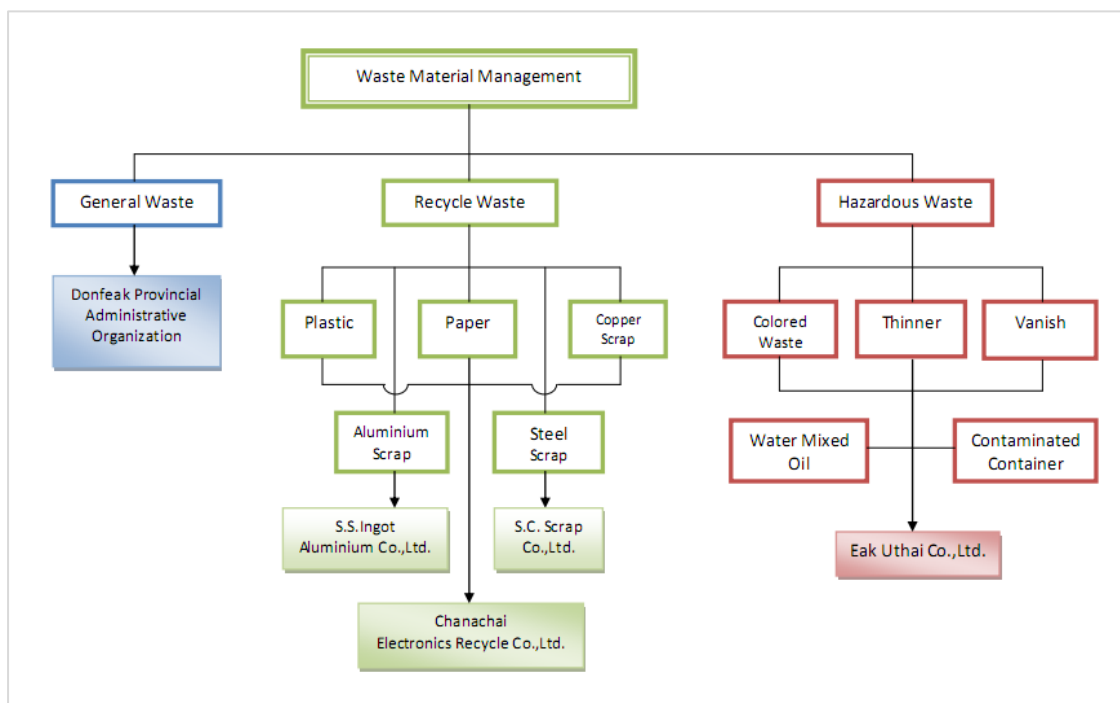
The amount of hazardous waste per product unit found that the production of 1 EQ product caused a 15.62% increase in hazardous waste from 2021 due to the amount of products produced increased significantly.

No.	Details	The amount of waste and contamination generated			Compare 2021/2022	Average (%)
		2020	2021	2022	increase decrease)	
1	Production volume (unit)	822,323	911,521	904,817	(6,704)	(0.74)
2	Waste / tons(tons)	8.15	14.40	30.02	15.62	108.40



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 It is non-production waste such as plastic bags, paper, steel scraps, silicon scraps, plastic wrap for sweets, and plastic candy wrappers. The staff will collect them in a bucket and bring them to the dumping point. by agency Local sub-district administrative offices collect them regularly and send them to companies that are allowed by law, to be recycled and sorted for further sale.

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

Checking machines in the aluminum injection department

January 2023					
machine name	machine number	Date/Month/Year	Inspection	Normal	Abnormal
Aluminum Injection	DC-02	16/01/2023	Yearly	✓	-
Aluminum Injection	DC-03	24/01/2023	Yearly	✓	-
Aluminum Injection	DC-05	09/01/2023	Monthly	✓	-
Aluminum Injection	DC-06	10/01/2023	Monthly	✓	-
Aluminum Injection	DC-07	24/01/2023	Monthly	✓	-
Aluminum Injection	DC-08	not yet due	once every 3 months	-	-
Aluminum Injection	DC-09	not yet due	once every 3 months	-	-
Aluminum Injection	DC-10	not yet due	once every 3 months	-	-
Aluminum Injection	MA22 DC-11	not yet due	once every 3 months	-	-
Aluminum Injection	MA22 DC-12	not yet due	once every 3 months	-	-

Waiting for
the due
date of
inspection

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.

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

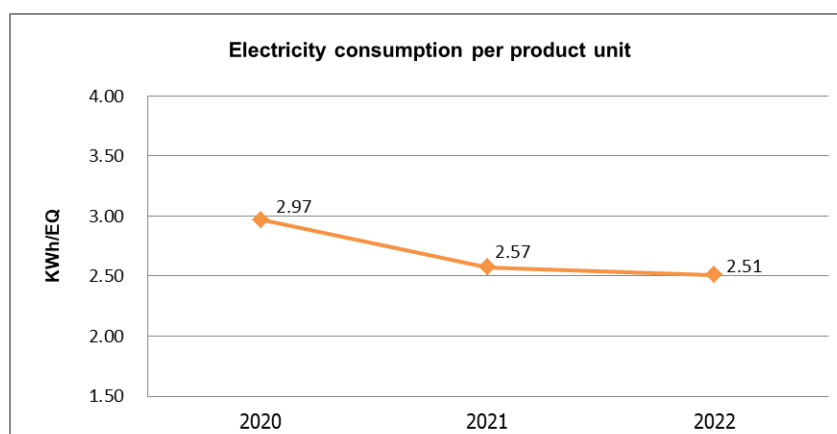
Indicators for the use of renewable energy in the business

No.	Details	Indicators for the adoption of renewable energy in the business (Installation of solar power generation system)			Compare 2021/2022 increase (decrease)	Average%
		2020	2021	2022		
1	PEA electricity consumption (KW)	2,440,738	2,345,199	2,270,202.71	(74,996.29)	(3.20)
2	Solar cell power consumption (production/KW)	1,039,723	1,069,792	1,171,515.01	101,723.01	9.51
3	Charged as PEA (Baht)	10,325,964	9,910,919	9,556,872.35	(354,046.65)	(3.57)
4	Charged as solar cell (Baht)	4,284,386	4,408,291	4,931,726.74	523,434.85	11.87
5	Total electricity consumption/month (KW)	3,480,461	3,414,991	3,441,717.72	26,726.72	0.78
6	Total amount/month (Baht)	14,341,935	14,072,153	14,488,599.09	416,445.68	2.96
	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 2021/2022 increase (decrease)	Average (%)
		2020	2021	2022		
1	Production volume (units)	822,323	911,521	904,817	(6,704)	(0.74)
2	Electricity consumption / KWh	2,441,417	2,346,268	2,270,202.71	(76,065.04)	(3.24)
3	Unit/Product unit (KWh/EQ)	2.97	2.57	2.51	(0.06)	(2.53)



Measures to conserve energy for year 2022

	Energy saving measures	Saving effect
	1. Turn off the lights during lunch break for 1 hour, total of 304 bulbs	1,708 baht/year
	2. Implementation of the project to install solar panels roof 733.57 kW which	-



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.



- Sorting of plastic bottles and glass bottles Sort them in different containers so they can be recycled.



3.4 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 2021/2022 increase (decrease)
					2019	2021	2022	
1	Core Plating	Nitric Acid	ppm	2	<0.1	0.070	0.001	(0.069)
		Sodium Hydroxide	mg/m ³	2		0.333	0.333	0.000
2	Paint	Xylene	ppm	100	0.024	13.693	0.037	(13.656)
3	Varnish	Styrene	ppm	100	0.03	<0.001	0.001	0.000
4	Sandblasting	Respirable Dust	mg/m ³	5	0.7318	2.917	0.417	(2.500)

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 2020/2022 increase (decrease)
		2019	2021	2022	
1. Injection	Moderate	29	30.3	32.1	1.8
Standard			< 34.0		
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 2021/2022 increase (decrease)
	2019	2021	2022	
	Leq 8 Hrs.	Leq 8 Hrs.	Leq 8 Hrs.	
1. BLDC Department	-	84	84.5	0.5
2. P-25 Pump Department	89.3	81.9	81.5	(0.4)
3. Pump P-01 Department	87.2	87.4	82.5	(4.9)
4. Injection Department	-	86.1	83.1	(3)
5. Axis Department	83.9	-	-	-
6. Tool Room	-	-	-	-
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.

Fair Labor Practices

The company has policies and practices for employees equally without exception. and fairness to employees at all levels in terms of remuneration Employee transfer and relocation, training, skill development occupational health, safety career advancement

Treating workers with fairness and human rights

There are stakeholder expectations regarding supply chain management to be strong and capable 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 suppliers	- Create safety working environment in accordance with regulations, requirements, and relevant laws
	2. Promotion of education and vocational training	- Employees lack knowledge of career advancement	- Prepare safety standards to control operations to comply with the standard
	3. Labor rights and discrimination	- Violations of ethics and non-compliance with the law	- Promote employees training at all levels
	4. Forced/foreign labor employment and child labor	- Violations of ethics and non-compliance comply with the law	- Support good corporate governance on participation with stakeholders in human rights
Risk issues on Social Rights	1. The safety of people in the community	- The effects on the health and safety of people in the community	- Reduce water pollution from the use of chemicals, hazardous waste and residual waste
	2. Building a career and improving the quality of life in the community	- The quality of life of people in the community is low, causing starvation and lack educational opportunity.	- Promote income generation for people in the community - Promote and support vulnerable groups in the community to have a career and income
	3. Impacts from water, air, and land pollution	- Climate change and natural disasters problem	- Control emissions of polluted air from chimneys to meet the standards - Reduce greenhouse gas emissions according to scientific standards
	4. Access to natural resources	- Water shortage problem and natural resources and ecological imbalance	- 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	- Impact on the health and safety of customers from using the product	- Produce products that are safe and free from harmful substances and environmentally friendly
	2. Customers' confidentiality		

Risk Issues	Impact on stakeholders	Preventive and mitigation measures
	- Breach of customer confidentiality	- Promote responsibility towards product - 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 2022, the Company has not received any complaints or reports on human rights issues either from the Company's activities. Business Operations and Supply Chain



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).



Pioneer Motor Public Company Limited (PIMO-Pimo) received the Sustainable Organization Award in the Thai capital market for supporting the disabled for the year 2022, an award in the category of "Outstanding" from the Permanent Secretary of Labor. who presides over the ceremony and presents the award The event was organized by the Securities and Exchange Commission (SEC) in collaboration with the Labor Department. Department of Skill Development Department of Employment Department of Empowerment and Development of the Life of Persons with Disabilities Thai Listed Companies Association and the Association of the Council of Persons with Disabilities in Thailand

Fair treatment and human rights for workers

Proportion of female employees to total employees

Currently, there are 281 female employees and 263 male employees, divided into 4 female executives and 3 male executives. The ratio of female employees is 48.35% of total employees. and the proportion of female executives was 42.86 percent 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.

Policy to promote persons with disabilities

The company has seen the elevation of the development of the quality of life for people with disabilities. and to encourage people with disabilities to have income can rely on oneself And reduce the burden of families and society who want to provide care. as well as encouraging people with disabilities to be an important force in promoting the economy of the family and the country in the future especially those with disabilities in the working age group According to the Persons with Disabilities Promotion and Development Act, B.E. which contains provisions to determine important measures related to occupational promotion and employment protection of persons with disabilities. In 2022, the Company has operated in accordance with the Persons with Disabilities Empowerment Act B.E. 2550, Section 35. By accepting disabled people to work in various departments, a total of 6 people, with disabilities accepting to work more than the ratio between normal people and people with disabilities at 1 per 100 people as required by law.

The company received the Sustainability Model Organization Award in the Thai capital market for supporting the disabled for the year 2022 in the category of "Outstanding" from the Permanent Secretary of Labor. This event is organized by the Securities and Exchange Commission (SEC) in collaboration with the Labor Department. Department of Skill Development Department of Employment Department of Empowerment and Development of the Life of Persons with Disabilities The Thai Listed Companies Association and the Association of Persons with Disabilities Council of Thailand

Employees potential development

Employee Potential Development and use of the machine There are a total of 1,854 hours of training for employees and employees of all levels have an average training criteria of 6 hours/person/year.

Proportion of employees in Nakhon Pathom area

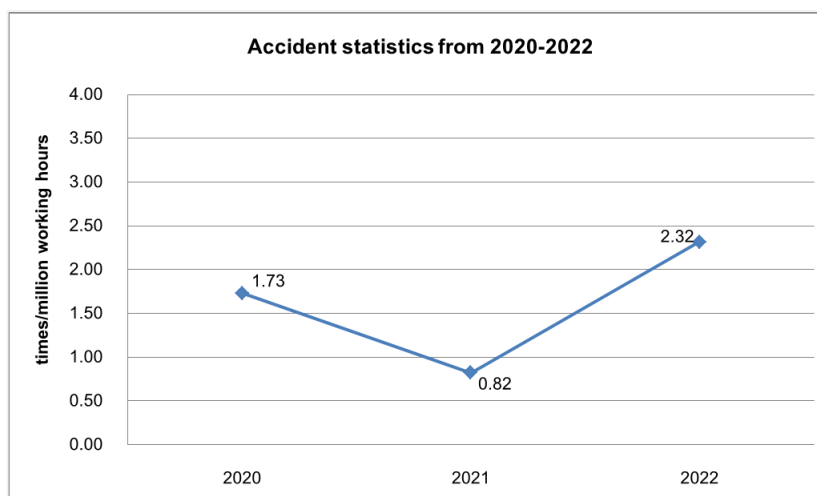
The proportion of employees in Nakhon Pathom Province to total employees is 79%, and most of the employees are residing nearby the company.




Workplace environment and safety

Results of monitoring air quality, heat, noise levels and lighting in workplaces. In 2022, the company has 1,294,920 working hours with a Lost Time Accident Frequency Rate (IFR) of 2.32 cases per 1 million working hours.

Accident statistics

In 2022, there were a total of 1,294,920 working hours with an average accident frequency rate (IFR) of 2.3 cases per 1 million working hours.



	illness statistics from workplace 	Not Fatal Accident Statistics 	Fatal Accident Statistics 	Total accidents statistics
Y2020	2	3	0	5
Y2021	1	1	0	2
Y2022	3	1	0	4

Remarks: Non-fatal accidents such as falling down stairs, slipping and hitting doors, etc.

Collective bargaining for employee benefits

The company respects the rights of employees and freedom. In joining or not joining associations, unions, federations, collective bargaining And there is no policy to obstruct the operation of labor unions. or labor union or obstructing the exercise of the employee's right to be a member of a labor union In addition, the company will treat such representatives as equals with other employees.

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 2022, the Company has participated in community and social development through various activities as follows:



Ms. Nutcharat Itthirojanakul has been a representative of the company's management team. Hand over pump To help alleviate the flood situation in the area of hospitals, schools and temples. with the aim of continually creating smiles for everyone in the communities close to the Company



Pioneer Motor Public Co., Ltd. joins food support, Kathin Ceremony, Sri Maha Pho Temple, Nakhon Chai Si District, Nakhon Pathom Province



Pioneer Motor Public Company Limited supports snacks for medical personnel and officers who are outposts in vaccination against COVID-19 With staff from Luang Phor Pern Hospital, Nakhon Chai Si District receiving the gifts



Pioneer Motor Public Company Limited held a blood donation event for the year 2022 with a large number of employees donating blood with the Thai Red Cross Blood Center.



The company has a policy to make the community livable. The employees together with the villagers helped to get rid of water hyacinths in the surrounding community canals. make the canal around the factory community more clean



The company joins as a learning media for the visually impaired. by executives and employees Pioneer Motor Co., Ltd. has compiled an old desk calendar. and delivered to the Educational Technology Center for the Blind have been used to make Braille flashcards to be teaching aids for the visually impaired in the future

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.

Occupational Safety and Health Policy

The company has established policies that support employees to work safely. And have good workplace hygiene. The company focuses on preventing accidents that may occur to the best of its ability. and encourage employees to have a sense of safety There is also a pre-employment training and encourage employees to have good health, including helping to maintain a hygienic workplace. and is always safe to work with

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.



The Company provides annual health checkups and risk factors for all employees. with a medical team Kasemrad Hospital, Rattana Thibet, admitted Ready to give advice and consultation.



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

4. Management Discussion and Analysis: MD&A

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 2020 – 2022 the Company distributed to domestic market at the proportion of 51.80%, 47.44% and 46.00 % 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 2020 – 2022 the Company distributed to international market at the proportion of 48.20%, 52.56% and 54.00% respectively.

When considering the overall performance of the company from 2020 - 2022, the company has continuously increased sales revenue. The average annual growth rate (CAGR) for the aforementioned three years was 22.57 percent, with the revenue from sales from 2021 to 2022 increasing by 20.65%. 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 2020 - 2022, 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 60 percent, 63 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 79.43 million baht and 101.65 million baht, respectively, or equivalent to 9.77% and 9.86% of total income. And when considering the financial statements for the fiscal year 2020 - 2021, the company has a net profit from the consolidated financial statements of 79.44 million baht and 102.09 million baht, or a net profit margin of 9.77% and 9.91%. And in 2022, the company had a net profit for the financial statements of 105.27 million baht or a net profit margin of 8.48%. In 2022, there are items that will not be recorded in profit or loss later, which are actuarial gain of 2.46 million baht and deducting the impact of income tax of 0.49 million baht. The reason for the increase in profits is due to increased sales both domestically and internationally. In addition, the company continues to gain foreign exchange gains due to the improvement of the US dollar and Australian dollar. Improving production efficiency by incorporating automation or robots into production Investing in solar cell roofs to generate electricity for own use makes the company can save up to 40% of electricity bills.

For the overall performance of the Company during 2022 compared to 2021, the Company's sales revenue increased by 204.59 million baht, or an increase of 20.65%, with cost of sales in 2022 equal to 1,008.75 million baht. This was an increase from the same period of the previous year in the amount of 204.79 million baht or an increase of 25.47%, in line with the increasing sales. When analyzed cost of sales to revenue from sales, this accounted for 84.38% which increased from cost of sales to revenue from sales of the same period of last year was 81.13%, which is affected by the current increased in raw material prices. As a result, the company Net profit for the financial statements in 2022 was 105.27 million baht, an increase of 3.18 million baht or 3.11% compared to 2021.

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

Statement of comprehensive income	Separate financial statements				Financial statement		Consolidated financial statements				Financial statement	
	Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End	
	31 December 2020		31 December 2021		31 December 2022		31 December 2020		31 December 2021		31 December 2022	
	million	%	million	%	million	%	million	%	million	%	million	%
	baht		baht		baht		baht		baht		baht	
Sales revenue	795.76	97.91	990.91	96.16	1,195.50	96.31	795.76	97.91	990.91	96.15	1,195.50	96.31
Cost of sales	637.25	78.41	803.96	78.02	1,008.75	81.26	637.25	78.41	803.96	78.01	1,008.75	81.26
Gross profit	158.51	19.50	186.95	18.14	186.75	15.05	158.51	19.50	186.95	18.14	186.75	15.05
Other income	16.99	2.09	39.59	3.84	45.84	3.69	16.99	2.09	39.67	3.85	45.84	3.69
Total income	812.75	100.00	1,030.50	100.00	1,241.34	100.00	812.75	100.00	1,030.58	100.00	1,241.34	100.00
Profit before expenses	175.50	21.59	226.54	21.98	232.59	18.74	175.50	21.59	226.62	21.99	232.59	18.74
Selling expenses	38.60	4.75	45.97	4.46	51.98	4.19	38.60	4.75	45.97	4.46	51.98	4.19
Administrative expenses	56.09	6.90	56.13	5.45	59.81	4.82	56.08	6.90	55.79	5.41	59.81	4.82
Total expenses	94.69	11.65	102.10	9.91	111.79	9.01	94.68	11.65	101.76	9.87	111.79	9.01
Profit from operating activities	80.81	9.94	124.44	12.07	120.80	9.73	80.82	9.94	124.86	12.12	120.80	9.73
Financial cost	0.36	0.04	0.14	0.01	0.06	0.00	0.36	0.04	0.14	0.01	0.06	0.00
Net loss from dissolution of subsidiary	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit before income tax	80.45	9.90	124.28	12.06	120.74	9.73	80.45	9.90	124.72	12.11	120.74	9.73
Income tax expenses	1.02	0.13	22.63	2.20	15.47	1.25	1.02	0.13	22.63	2.20	15.47	1.25
Profit for the year	79.43	9.77	101.65	9.86	105.27	8.48	79.44	9.77	102.09	9.91	105.27	8.48
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	117.80	11.43	0.00	0.00	0.00	0.00	117.80	11.43	0.00	0.00
<u>Less</u> : Income tax effect	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Actuarial gain (loss)	(2.57)	(0.39)	(0.69)	(0.08)	2.46	0.19	(2.57)	(0.39)	(0.69)	(0.08)	2.46	0.19
Less : Income tax effect	0.51	0.08	0.14	0.02	(0.49)	(0.04)	0.51	0.08	0.14	0.02	(0.49)	(0.04)

Statement of comprehensive income	Separate financial statements				Financial statement		Consolidated financial statements				Financial statement	
	Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End		Fiscal Year End	
	31 December 2020		31 December 2021		31 December 2022		31 December 2020		31 December 2021		31 December 2022	
	million baht	%	million baht	%	million baht	%	million baht	%	million baht	%	million baht	%
Net	(2.06)	(0.31)	(0.55)	(0.06)	1.97	0.15	(2.06)	(0.31)	(0.55)	(0.06)	1.97	0.15
Other comprehensive income for the year	(2.06)	(0.31)	(0.55)	(0.06)	1.97	0.15	(2.06)	(0.31)	(0.55)	(0.06)	1.97	0.15
Total comprehensive income for the year	25.25	3.80	78.88	9.71	107.24	8.63	26.41	3.98	78.89	9.71	107.24	8.63

Remark: The Company's income is from both domestic and international sales of products for year 2020, 2021 and 2022; the company has foreign sales revenue of approximately 48%, 53% and 54% of net sales revenue respectively.

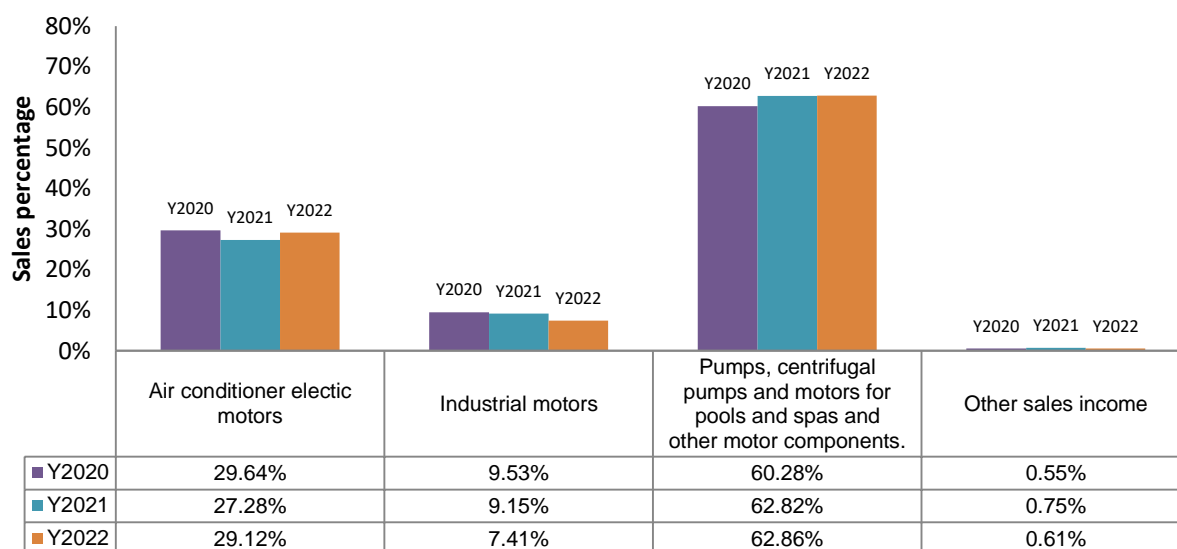
Operations and Financial Position

The company can summarize the analysis of financial result for the fiscal year 2020 - 2022 as follows:

Revenue from sales

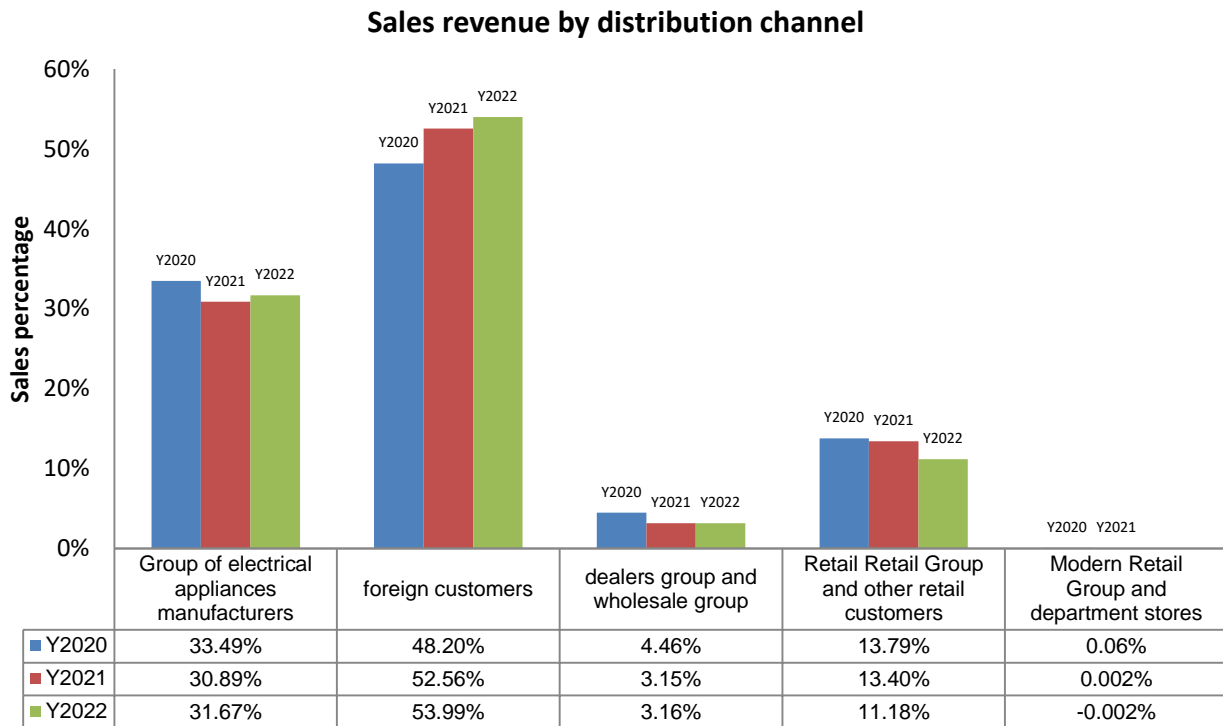
Revenue Graph by Product Group 2020-2022

Sales revenue by product group



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 2020 - 2022, the company had net sales of 795.76 million baht, 990.91 million baht and 1,195.50 million baht respectively. The growth rate when compared between 2020 and 2021 was 24.52% and representing the growth rate when compared between 2021 and 2022 increased by 20.65%. The average compound annual growth rate (CAGR) for the aforementioned 3 years is 22.57% in 2022, 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 62.86%, followed by the second place is the motor for air conditioners which accounted for an average of 29.12% and the 3rd place is the product range of industrial power motors which accounted for an average of 7.41 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 2021 and 2022, 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 2020 – 2022



In 2020 - 2022, the company has revenues from the distribution of most of its products in the country. The value is 412.17 million baht, 470.13 million baht and 550.00 million baht respectively or accounting for 51.80%, 47.44% and 46.01% of net sales revenue in 2020-2022 respectively. This is from distribution through different customer groups. The international sales accounted for 48.20%, 52.56% and 54.00% respectively. The electronic manufacturers group was 33.49%, 30.89% and 31.67%, respectively and the retailer group accounted for 13.79%, 13.41% and 11.81% respectively. The sales through Agents and Dealers, accounted for an average of 4.46%, 3.15% and 3.16%, accordingly. The last channel is the modern retailers and department stores which accounted for an average of 0.06%, 0.0017% and (0.0018%) 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 2022, the company had domestic sales of 550.00 million baht, accounting for 46.01% of the net sales revenue. The top group was selling through the group of foreign customers (International Customers) in the amount of 645.51 million baht, or 54.00%, followed by the electronic manufacturers in the amount of 378.67 million baht or 31.67%, followed by sales through retail stores (Retailers) and other customers (Customers) of 133.61 million baht or 11.18%. Wholesale (Dealers) of 37.72 million baht, or 3.16%, and the modern trade and department stores of (0.021) million baht or (0.0018%).

When dividing each type of revenue in 2022 compared with the revenue from sales in 2021, the International Customer segment increased by 124.73 million baht, or 23.95% and other retail customers increased by 0.75 million baht or an increase of 0.56%. 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 2022 sales proportion from International customers was 124.73 million baht or 24.00% 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 0.039 million baht or 226.77%. Since from 2020 until the current year, there is an outbreak of Coronavirus Disease 2019 (COVID-19) causing modern retail stores (Modern Trade) to temporarily close as a result, it affects the business and performance of the company. But not to the point of much damage because motors for home swimming pools (Private swimming pools) both in and outside the country are still in increasing demand together with the company. There is a special BLDC motor production technology that has been distributed since the beginning of the year which has orders coming in continuously as well.

For other income from the consolidated financial statements of the Company in 2020 - 2021, the value is 16.99 million baht and 39.67 million baht respectively or equivalent to the other income to total income proportion of 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 in 2022, the value was 45.84 million baht, or the ratio of other income to total income was 3.69%, an increase from the same period last year in the amount of 6.17 million baht or 15.55% from the increase in revenue from scrap sales, especially silicon scrap which is in demand in the market during this period. In addition, the company received gains from exchange rates from the improvement over the previous year, namely: US dollar and Australian dollar.

Cost of sales

In 2020-2022, the company had cost of sales from consolidated financial statements equal to 637.25 million baht, 803.96 million baht and 1,008.75 million baht, respectively, representing a ratio of cost of sales to sales revenue equal 80.08%, 81.13% and 84.38%, 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 2021 and 2020, it was found that the company had cost of sales equal to 803.96 million baht, an increase from the same period of the previous year by 166.71 million baht or an increase of 26.16%, 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 81.13%, an increase from the same period of 2020 which was 80.08%.

For the year 2022, the company had cost of sales equal to 1,008.75 million baht, an increase of 204.79 million baht from the same period last year, or an increase of 25.47%, in line with the increase in sales. In addition, the price of main raw materials increased according to the world market price, such as silicon steel and copper wire,

accounting for the ratio of cost of sales to sales revenue equal to 84.38%, an increase from the same period of 2021 at 81.13 %. However, the company has set guidelines for adjusting prices with customers as appropriate to market conditions already together with the company Limit risk by negotiating raw material prices in order to manage production cost estimates and reduce raw material price fluctuations and significantly affect operations to a minimum.

Selling and Administrative Expenses

Selling Expenses

In 2020 - 2022, the company has selling expenses from the consolidated financial statements equal to 38.60 million baht, 45.97 million baht, and 51.98 million baht, respectively, or the ratio of selling expenses to total income equal to 5.32%, 4.75% and 4.46% respectively. Selling expenses mainly consist of salaries, bonuses, sales commissions and public relations expenses and sales promotion In order for the brand to be widely known, the company has participated in exhibitions to promote the brand in foreign countries continuously. When comparing the year 2021 with the year 2020, the company has selling expenses equal to 45.97 million baht or the ratio of selling expenses to total income equal to 4.46%, an increase from the same period of 2020 in the amount of 7.37 million baht or an increase of 19.09%, mainly from commissions for selling various products and expenses for transporting goods abroad. This is in line with the increase in overseas sales together with the problem of freight costs and transportation costs increased from the container shortage that continues to occur after the global economy began to recover, exporting countries had to scramble for containers for export including promotional expenses that are a key factor in boosting sales amid the competition of various competitors today.

For the year 2022, the company has selling expenses equal to 51.98 million baht or the ratio of selling expenses to total income equal to 4.19%, an increase from the same period of the previous year in the amount of 6.01 million baht or an increase of 13.07%, mainly from commissions in selling various products and expenses in transporting goods to foreign countries which this was in line with the increase in overseas sales coupled with the problem of freight costs and transportation costs increased from the container shortage that continues to occur after the global economy began to recover, exporting countries had to scramble for containers for export Including promotional expenses that are a key factor in boosting sales amid the competition of various competitors today.

Administrative expenses

In 2020 – 2022, the company had administrative expenses from the consolidated financial statements equal to 56.08 million baht, 55.79 million baht and 59.81 million baht respectively or the ratio of administrative expenses to total income equal to 6.90%, 5.41% and 4.82%, respectively. Administrative expenses mainly consist of salary expenses executive and employee bonuses various administrative expenses, etc. When comparing 2021 and 2020, it was found that the company had administrative expenses equal to 55.79 million baht, or the ratio of administrative expenses to total income equal to 5.41%, a decrease from the same period of the previous year in the amount of 0.29 million baht or a decrease of 0.52%, mainly decreased from fees for applying for a license, certification of export products and professional fees Including contributions to the Social Security Fund, the rate of contribution payment has been reduced. Due to the Ministry of Labor has issued a ministerial regulation to relieve the burden of employers and insurers from the impact of the outbreak of the Coronavirus Disease 2019.

For the year 2022, the company had administrative expenses equal to 59.81 million baht or the ratio of administrative expenses to total income equal to 4.82%, an increase from the same period of the previous year in the amount of 4.02 million baht or an increase of 7.21%.

The main increase was from salaries and remuneration of employees, social security and property and land taxes. Due to the recent outbreak of Coronavirus Disease 2019 (COVID-19), various agencies have reduced their fees, but in 2022, when the situation has been resolved, various agencies have adjusted the fees increased at the normal rate.

Financial cost

In 2020-2022, the company's finance costs from the consolidated financial statements of 0.35 million baht, 0.14 million baht, and 0.06 million baht, respectively. Interest on liabilities under financial leases interest paid on loans from financial institutions, etc. When comparing the year 2021 and 2020, it was found that the company had finance costs of 0.14 million baht, or the ratio of finance costs to total income equal to 0.01%, decreased from the same period last year in the amount of 0.21 million baht, or a decrease of 60.59%, because in 2021 the company had only the interest arising from finance lease liabilities.

For the year 2022, the company's finance costs of 0.06 million baht, a decrease of 0.08 million baht from the same period last year, or a decrease of 56.16% because in 2022, the Company had remaining interest from liabilities under financial lease contracts only.

Gross margin and Net profit

From 2020 - 2022, the Company had a gross profit from the consolidated financial statements of 158.51 million baht, 186.95 million baht and 186.75 million baht, respectively, or a gross margin of 19.92%, 18.87% and 15.62%, respectively.

The net profit from the consolidated financial statements in 2020 – 2022 was 79.44 million baht, 102.09 million baht and 105.27, respectively, or equivalent to a net profit margin of 9.77%, 9.91% and 8.48%, respectively. Comparing 2021 and 2020, the company had a net profit of 102.09 million baht with net profit margin of 9.77%, an increase from the same period of the previous year by 22.65 million baht or an increase of 28.51%. The increase was in line with the increase in sales, together with the price of main raw materials, such as silicon, copper wire, which decreased in line with the world market price and the company gained more profit from the exchange rate due to the better US dollar than the previous year.

In 2022, the Company had gross profit from the consolidated financial statements of 186.75 million baht or equivalent to 15.62%, a decrease from the same period of the previous year by 0.20 million baht, or a decrease of 0.11%.

The net profit in 2022, equal to 105.27 million baht and the net profit margin to total income was 8.48%, an increase from the same period of the previous year by 3.18 million baht or an increase of 3.11%. 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. The cost of sales and selling expenses were higher per sales rate, it consists of 2 reasons, the first reason is the impact of the price of raw materials that have increased. At present, the company continues to hoard the materials products. It is expected that the company will still be able to make a profit. The second reason is an increase in the cost of transporting goods to foreign countries with higher freight costs and higher shipping costs from the ongoing shortage of containers after the global economy has begun to recover, the exporting countries have to compete for containers for export. However, the company has been monitoring the situation of raw material price adjustments all the time and try to manage the problem of the higher shipping costs in order to benefit the company as much as possible.

Financial position

Assets

As of December 31, 2020, 2021, and 2022, the company's total assets from the consolidated financial statements of 757.32 million baht, 1,017.96 million baht, and 1,112.61 million baht, respectively, which affect the change in the total assets of the company as follows:

Current assets

As of December 31, 2020, 2021, and 2022, the company's current assets from the consolidated financial statements were 513.48 million baht, 596.42 million baht, and 665.07 million baht, respectively, and the ratio of current asset to total assets of 67.80%, 58.59% and 59.78%, respectively, with the details of each important item as follows:

- Cash and cash equivalents: As of December 31, 2020, 2021 and 2022, the value was 47.03 million baht, 25.05 million baht and 82.15 million baht, respectively, and the ratio of cash and cash equivalents to total assets were 6.21%, 2.46% and 7.38%, respectively. In 2022, there were cash and cash equivalents consists of savings account deposits of 72.13 million baht, with foreign currency deposits of USD 1.61 million baht. Compared to 2022 and 2021, there were cash and cash equivalents increased in the amount of 57.10 million baht or 227.94%, mainly from the receipt of money from the conversion of warrant shares in January 2022 and July 2022 in the amount of 90.05 million baht and partly used to paid dividends of net profits from operating results, the second half of the year 2021 and the dividend payment of the net profit from the first half of the year 2022, total dividend payment of 41.90 million baht, the rest of the company used in circulation in business.

- Trade accounts receivable: As of December 31, 2020, 2021 and 2022, the value is 143.17 million baht, 187.78 million baht and 153.27 million baht, respectively, or representing a proportion to total assets, equal to 18.90%, 18.45% and 13.78% respectively, whose details are as follows:

Unit: Million baht

	31 Dec 20	31 Dec 21	31 Dec 22
Trade receivables	143.17	187.78	153.27
Less allowance for doubtful accounts	(0.00)	(0.00)	(0.00)
Total trade accounts receivable - net	143.17	187.78	153.27

The comparison between year 2022 and 2021 shows an decrease in trade accounts receivable of 34.51 million baht or 18.38%. In 2020 - 2022, the Company has an average debt collection period of 60 days, 61 days and 53 days respectively. The normal repayment period for trade receivables is set to be 30 days but not more than 120 days, except foreign customers will give trade credit about 30 - 75 days. However, the company is still aware of the consideration giving credit terms to new customers to control credit quality, this will reduce the occurrence of bad debts and doubtful accounts for crediting new customers, the company will accept payment in cash and will consider giving credit after the customer has made a purchase with the company for a period of 6 months, which will be considered from the purchase amount and the frequency of purchase orders.

- Inventories: As of December 31, 2020, 2021 and 2022, the value was 162.38 million baht, 314.49 million baht and 415.92 million baht, respectively, with ratio of inventories to total assets of to 21.44%, 30.89% and 37.38%, respectively. The detail is as follows.

Unit: Million baht

	31 Dec 20	31 Dec 21	31 Dec 22
Finished product	28.45	63.34	82.30
Work in progress	31.47	58.64	57.40
raw material	108.91	199.71	283.18
Total	168.83	321.69	422.88
Less inventory value allowance	(6.45)	(7.20)	(6.96)
Inventories - net	162.38	314.49	415.92

Comparing year 2022 with 2021, the company has an increase in inventories of 101.43 million baht or 32.25% 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 2020 - 2022, the company has an average product sales period of 87 days, 111 days and 135 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 2020, 2021 and 2022, the company has set up an allowance for devaluation of inventories of 6.45 million baht, 7.20 million baht and 6.96 million baht, respectively.

Non- current assets

As of December 31, 2020, 2021, and 2022, the Company's non-current assets from the consolidated financial statements were 243.85 million baht, 421.55 million baht, and 447.55 million baht, respectively or accounted for as a proportion of total assets, equal to 32.20%, 41.41%, and 40.22%, respectively, with details of each important item as follows:

- Net property, plant and equipment: As of December 31, 2020, 2021 and 2022, the Company had property, plant and equipment - net equal to 228.90 million baht, 413.16 million baht and 439.41 million baht, respectively and the proportion to total assets is 30.22%, 40.59% and 39.49%, respectively. Compared to 2021 and 2020, it was found that there was an increase in land, building and equipment in the amount of 184.26 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. When comparing 2022 and 2021, it was found that there was an increase in land, buildings and equipment in the amount of 26.25 million baht or an increase of 6.35%, due to additional investment in machinery and equipment.

Liabilities

As of December 31, 2020, 2021, and 2022, the Company has total liabilities from the consolidated financial statements of 245.78 million baht, 341.46 million baht, and 280.73 million baht respectively, or accounted for as a proportion of liabilities and shareholders' equity equal to 32.45%, 33.54%, and 25.23%, respectively, with the total debt to equity ratio in the past 3 years equal to 0.48 times, 0.50 times and 0.34 times, respectively, which items of liabilities that have significant changes are as follows:

Current Liabilities

As of December 31, 2020, 2021, and 2022, the Company has total current liabilities from the consolidated financial statements equal to 215.70 million baht, 293.82 million baht, and 233.89 million baht, respectively, or accounted for as a proportion of total assets, equal to 28.48%, 28.86%, and 21.02%, respectively, details of each important item are as follows: this

- Trade payable: As of December 31, 2020, 2021 and 2022, the value is 195.45 million baht, 252.40 million baht and 209.43 million baht, respectively, with ratio of trade payable to liabilities and shareholders' equity equal to 25.81%, 24.80% and 18.82%, respectively. Comparing 2021 and 2020, the company had an increase in trade payables of 56.95 million baht or an increase of 29.19%. Comparing 2022 and 2021, the Company's trade accounts payable increased by 57.04 million baht or an increase of 29.19%. Compared to 2022 and 2021, it was found that the company had creditors. Trade decreased in the amount of 42.97 million baht, or a decrease of 17.02%. In 2020 - 2022, the company has a debt settlement period of 91 days, 102 days and 84 days, respectively. The company received about 90 days of credit term from most suppliers in 2022, the repayment period was faster compared to 2021 which the credit term from foreign suppliers was approximately 75 days.

- Accrued corporate Income tax: As of December 31, 2020, 2021 and 2022, the value is 1.51 million baht, 12.29 million baht, and 2.93 million baht respectively, or the ratio to total liabilities and shareholders' equity was 0.20%, 1.21% and 0.26%, respectively, when comparing 2021 and 2020, it was found that the company had an increase in accrued corporate income tax payable of 10.78 million baht or an increase of 713.91%, a decrease of 9.36 million baht, or a decrease of 76.16 %, because in 2022, the company used special privileges that are exempt from corporate income tax for net profits from operations from investment promotion in the amount of 8.07 million baht which is regarded as a quantitative indicator of the company According to the goal of operating a sustainable business (ESG), the company has produced energy-saving products. which these products can reduce electricity bills Save energy and cost for customers. This can be seen from the table below:

Privileges received from investment promotion

Unit : million baht

The company received 4 investment promotion certificates.	Tax exemption		Exercise of tax privileges				
	number of years	Amount	Year 2019 - Year 2020	Year 2021	Year 2022	Accumulate	Balance
Card 1: Automation or Robotics and Renewable Energy Systems	3 Year	18.94	16.10		2.84	18.94	-
Card 2: Using renewable energy	3 Year	3.87		1.35	2.52	3.87	-
Card 3 Motor for appliances size Lam72, 74 and 85	3 Year	15.83			2.71	2.71	13.12
Card 4: Production of motors for electric motorcycles	8 Year	10.09			not yet exercised	-	10.09
Total			16.10	1.35	8.07	25.52	23.21

Non - Current Liabilities

As of December 31, 2020, 2021, and 2022, the Company has total non-current liabilities from the consolidated financial statements equal to 30.08 million baht, 47.64 million baht and 46.84 million baht, respectively, or accounted for as a proportion of liabilities and shareholders' equity equal to 3.97%, 4.68%, and 4.21%, respectively, the items of non-current liabilities that have important changes are as follows:

- Finance lease liabilities: As of December 31, 2020, 2021 and 2022, the value was 1.12 million baht, 0.71 million baht and 0.22 million baht, respectively, with ratio of Finance lease liabilities to total liabilities and shareholders' equity of 0.15%, 0.07% and 0.02%, 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, 2020, 2021 and 2022, the value was 28.96 million baht, 30.52 million baht and 31.03 million baht, respectively, with ratio of employee benefit to total liabilities and shareholders' equity of 3.82%, 3.00% and 2.79% 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 2022 and 2021, it was found that the value of employee benefits increased from the year 2021, with an increase of 0.51 million baht or an increase of 1.67%, weighted average period for payment of long-term benefits of the Company's employees for approximately 11.7 years (2021 : approximately 12.4 years).

Shareholder's equity

As of December 31, 2020, 2021 and 2022, the Company's total shareholders' equity from the consolidated financial statements was 511.54 million baht, 676.50 million baht, and 831.89 million baht, respectively, or the ratio to liabilities and shareholders' equity, equal to 67.55%, 66.46% and 74.77%, respectively. The major changes in shareholders' equity are as follows:

- Registered and paid-up capital: As of December 31, 2020, 2021 and 2022, the value was 154.12 million baht, 154.12 million baht and 166.98 million baht respectively, representing a ratio of liabilities and shareholders' equity equal to 20.35%, 15.14%, and 15.01%, respectively.

- Retained Earnings: As of December 31, 2020, 2021, and 2022, the Company has unappropriated retained earnings of 134.25 million baht, 199.25 million baht, and 264.59 million baht, respectively, or in proportion to liabilities and shareholders' equity, shares equal to 17.73%, 19.57% and 23.78%, respectively.

- Revaluation surplus on asset is a surplus from land revaluation: As of December 31, 2021 and 2022, the Company had a surplus on asset appraisal in the amount of 94.24 million baht, or the ratio to liabilities and shareholders' equity equal to 9.26% and 8.47%.

Key financial ratios

Key financial ratios	Unit	Year 2020	Year 2021	Year 2022
Profitability ratio				
Profit before tax ratio and cost of finance	percentage	9.94	12.12	9.73
Profit before Interest, Taxes and Depreciation	percentage	13.21	14.95	12.42
Net profit margin	percentage	9.77	9.91	8.48
Liquidity ratio				
Working capital ratio	equal	2.38	2.03	2.84
Account Receivable Turnover Ratio	equal	6.12	5.99	7.01
Inventory turnover ratio	equal	4.21	3.28	2.71

Liquidity

The Company's liquidity ratio from the consolidated financial statements as of December 31, 2020, 2021 and 2022 was 2.38 times, 2.03 times and 2.84 times, respectively. It can be seen that in 2022, the company's liquidity ratio improved from 2021.

In addition, if considering the quick ratio from the consolidated financial statements, it was found that as of December 31, 2020, 2021 and 2022, the Company had a quick ratio of 1.63 times, 0.96 times and 1.07 times respectively. Quick liquidity in 2022 improved from 2021 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, 2020, 2021, and 2022, the Company's cash cycle ratio was 56 days, 71 days, and 104 days, respectively, because the company had an average debt collection period and consistent average sales period.

Cash flow for the year

Unit: Million baht

Description	Year 2020	Year 2021	Year 2022
Cash received from operations	126.34	8.51	31.80
Net cash provided by (used in) investing activities	(40.09)	3.65	(22.00)
Net cash provided by (used in) financing activities	(48.88)	(34.13)	47.30
Net increase (decrease) in cash and cash equivalents	37.37	(21.97)	57.10
Cash and cash equivalents, beginning of year	9.66	47.02	25.05
Cash and cash equivalents, end of year	47.03	25.05	82.15

Net cash provided by (used in) operating activities

In 2022, the company had cash from operating activities from the consolidated financial statements equal to 31.80 million baht, mainly from the fact that the company Profit before income tax expenses was 120.74 million baht and there was an adjustment item to reconcile net profit to cash received from depreciation equal to 32.27 million baht. Trade accounts receivable increased resulting in cash decreased in the amount of 32.80 million baht. Other receivables decreased in the amount of 16.21 million. baht and inventories an increase of 101.19 million baht, a decrease in cash flow from trade payables in the amount of 42.61 million baht, while a decrease in cash flow from

other payables in the amount of 6.07 million baht and a decrease in provision for short-term liabilities of 0.67 million baht and an increase in cash flow from payment Income tax in the amount of 26.14 million baht.

Net cash received (used) in investing activities

In 2022, the company had net cash used in investing activities from the consolidated financial statements of 22.00 million baht, resulting from an increase in investments in other current financial assets of 38.62 million baht, which the company invested in mutual funds and and short-term debt instruments of financial institutions and there is an investment transaction to purchase land Buildings and equipment in the amount of 60.04 million baht, cash paid for the purchase of computer programs in the amount of 0.62 million baht and advance payments for the purchase of equipment in the amount of 0.21 million baht.

Net cash received (used) in financing activities

In 2022, the company had net cash received from financing activities from the consolidated financial statements equal to 47.30 million baht, mainly from the company, received money from the exercise of warrants in the amount of 90.05 million baht and paid dividends in the amount of 41.89 million baht and paid liabilities under finance leases in the amount of 0.80 million baht.

Financial Ratios: Pioneer Motor Public Company Limited and Subsidiaries

Financial ratios	Unit	Separated Financial reports			Consolidated financial reports		
		Financial statement			Financial statement		
		2020	2021	2022	2020	2021	2022
<u>Liquidity ratio</u>							
Liquidity ratio	times	2.38	2.03	2.84	2.38	2.03	2.84
Current ratio	times	1.63	0.96	1.07	1.63	0.96	1.07
Cash flow liquidity ratio	times	0.70	0.03	0.12	0.70	0.03	0.12
Accounts receivable turnover ratio	times	6.12	5.99	7.01	6.12	5.99	7.01
Average collection period	days	60	61	53	60	61	53
Inventory turnover ratio	times	4.38	3.28	2.71	4.21	3.28	2.71
Average product sales period	days	83	111	135	87	111	135
Payable turnover ratio	times	4.04	3.59	4.37	4.04	3.59	4.37
Repayment period	days	91	102	84	91	102	84
Cash Cycle	days	53	71	104	56	71	104
<u>Profitability Ratio</u>							
Gross profit margin	%	19.92	18.87	15.62	19.92	18.87	15.62
Operating profit margin	%	8.02	8.56	6.27	8.02	8.60	6.27
Other margin	%	2.09	3.84	3.69	2.09	3.85	3.69
Cash-to-profit ratio	%	197.96	10.02	42.40	197.93	9.95	42.40
Net profit margin	%	9.77	9.86	8.48	9.77	9.91	8.48
Return on Equity	%	16.42	17.11	13.96	16.44	17.18	13.96
<u>Efficiency Ratio</u>							
Return on assets	%	11.32	11.45	9.88	11.33	11.50	9.88
Return on fixed assets	%	46.26	40.55	32.27	46.33	40.58	32.27
Asset turnover	times	1.16	1.16	1.17	1.16	1.16	1.17

Financial ratios	Unit	Separated Financial reports			Consolidated financial reports		
		Financial statement			Financial statement		
		2020	2021	2022	2020	2021	2022
<u>Financial Policy Ratio</u>							
Debt to equity ratio	times	0.48	0.50	0.34	0.48	0.50	0.34
Interest coverage ratio (EBITDA / Interest paid)	times	302.85	1,102.13	2,516.60	302.82	1,102.57	2,516.60
Obligatory coverage ratio (cash basis)	times	1.63	0.06	0.31	1.63	0.06	0.31
Dividend payout rate	%	40.31	38.18	38.04	40.31	37.95	38.04

Remark: At the Board of Directors Meeting No. 1/2023, as of February 24, 2023, it was resolved to propose to the Annual General Meeting of Shareholders for year 2022 on April 25, 2023 to approve the allocation of net profits as dividends to 694.94 million shares at the rate of 0.062 baht per share, totaling 42.54 million baht. The company has paid an interim dividend at the rate of 0.02 baht per share, totaling 13.35 million baht. The remaining dividend is paid at 0.042 baht per share, totaling 29.19 million baht.

Organizational Development for Sustainability (Sustainability Development)

“Sustainable development” is development for Meet the current needs and still have to provide The next generation can Meet the needs in future generations by focusing on balance in development in the economic dimension, the environment dimension (Environment), social dimensions (Social) and governance (Governance) or ESG.

The company has a business plan to adapt. and develop the organization to support risks and opportunities that may occur in the future to be able to grow steadily and sustainably By focusing on sustainable business planning to support activities covering both economic dimensions, environmental dimensions (Environment), Social (Social) and Governance (Governance) or ESG, which the Company has taken since laying the foundation for sustainability. continue with driving sustainable business The Corporate Governance (CG) Policy has been revised and has been transformed into the E/S/CG Working Team for sustainability in order to drive economic, environmental, social and moral work. good governance There are also executive meetings at all levels. To prepare an annual sustainability business plan by setting goals to create sustainability for the organization by delivering value to all stakeholder groups. Added a roadmap related to ESG matters.

ESG for the year 2022, in terms of the environment, each department has been assigned to submit projects Give value to the environment Including the development and use of technology to save energy. And use renewable energy, which is called the 3Rs (Reduce, Reuse, and Recycle) project and the executives have participated in Training and seminars on topics related to the environment, society, and the economy (Corporate Governance) (Environment Social and Governance: ESG) to develop the organization to keep pace with the changes in ESG that are currently on the global agenda. In addition, the company Continuing to develop ESG work that has been initiated in order to become a sustainable business in the areas of Environment Social and Governance (ESG).

Nowadays, the “Sustainable Business Concept” (Environmental, Social, Governance: ESG) is gaining widespread attention from both listed companies and investors around the world. we can see that fund manager especially institutional investors and foreign investors They are increasingly paying attention to investing in companies that have business practices that take into account the sustainability of the business and society as a whole, because every decision reflects Vision of investors who want to invest responsibly and seek returns that are not in the form of profit alone but also taking into account environmental, social and corporate governance factors

For Thailand this sustainable investment ESG information is becoming more and more popular and well-known in the capital market. Many leading listed companies have disclosed ESG information to shareholders, investors and the public about their business operations in the form of Format of Sustainability Reporting (Sustainability reporting) Along with reporting financial information, there are also many investment management companies. with the issuance of mutual funds that have a policy to invest in stocks that operate more sustainably As for the Stock Exchange of Thailand itself Has supported the preparation of a list of sustainable stocks (Thailand Sustainability Investment: THSI) to be an alternative for investors who want to invest in this group of stocks. Including indexing SETTHSI

The sustainability report It will be like an important book that reflects the image of the business operation of the business in the long run. Because if a company is outstanding in ESG, it means that company has a strategy, business model. and standardized risk management processes in terms of quality (taking into account ESG dimensions) and quantitative (Sustainable growth performance)truly.

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.pionermotor.th.com
Registered capital As of February 2023	: 213,149,676.75 baht (Two Hundred Thirteen Million One Hundred Forty Nine Thousand Six Hundred Seventy-Six Baht and Seventy-Five Satang)
Issued and paid-up capital As of February 2023	: 173,736,133.50 baht (one hundred seventy-three million seven hundred thirty-six thousand one hundred and thirty-three baht fifty satang)
Paid-up capital from the offering of warrants to purchase shares to ordinary shareholders of Pioneer Motor Public Company Limited No. 3 (PIMO – W2) not exceeding 176,133,046 units As of February 2023	: 6,755,571.25 baht (six million, seven hundred fifty-five thousand, five hundred and seventy-one baht, twenty-five satang), amounting to 27,022,285 units.
par value per share	: 0.25 baht (twenty five satang)

Note: In July 2021, the subsidiary company has already registered its dissolution with the Ministry of Commerce.

5.2 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

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
---------------	---

5.3 Legal Dispute

As of December 31, 2022, 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.

Educating and training employees on the environment

The company has seen the importance of the environment. Which problems arise in the environment Most of them are caused by employees who don't really understand. Therefore, there is a management approach to instill awareness for all employees involved, both directly and indirectly, to receive training in environmental management.

To ensure the efficiency of environmental and safety operations. The company operates according to the law. Rules and Regulations Environmental and safety in the management of hazardous waste, wastewater and noise.

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 2022. 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 that most of the principles have been applied and presented to the Board of Directors for acknowledgment in principle. In the Board of Directors Meeting No. 5/2022, Thursday, November 10, 2022, and in order to comply with such principles, the Board of Directors has reviewed and approved the original policy and additional policies in accordance with the corporate governance policy standards. The good ones are the following:

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. And public relations for all employees to be aware of such policies and practices. via email company website public relations board and sound on the company's line

1. 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 1,000 baht (one thousand baht) must be approved by the Director who supervises and must strictly follow the Company's purchasing or withdrawing procedures.

Accepting or sponsoring

1. Receiving or receiving support must prove that the applicant has actually performed activities according to the said project. And to support the achievement of the objectives of the project to advertise business Company's brand Or information about the environment, water sources, in accordance with the objectives of business operations with true social responsibility.
2. Receiving or sponsoring from business partners or private organizations in promoting and supporting research and development, production, innovation and technology In terms of finance, banking, marketing, the project must be approved by an authorized person according to the chain of command. and can prove that the acceptance or sponsorship is not related to the reciprocal benefits to any director, executive, or employee or any agency This is not an excuse for corruption.
3. Receiving or sponsoring must be legal. and traditions of the community, society

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 1,000 baht (one 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 and Guidelines

The Board of Directors regards conflicts of interest between personal interests. and benefits of the company It is an important policy by stipulating it as a good corporate governance policy. and establish guidelines for directors, executives and employees in the ethics and business ethics requiring directors, executives and employees to report their own interests and related persons who may have conflicts of interest in order to avoid taking the opportunity of being a director, executive or employee of the Company self-interest The company has set the request for practice for directors, executives and employees of the company as follows.

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.

The Company regards the policy to prevent conflicts of interest as an important policy. Therefore, the Audit Committee has established a guideline on conflicts of interest. and to be reviewed on a regular basis. In order to implement the control system to be standardized, transparent, in 2022, it was reviewed and approved by the Board of Directors Meeting No. 5/2022 on November 10, 2022 in order to comply with good corporate governance principles In addition, public relations have been made to the Board of Directors, executives, and employees through the Company's communication channels. Public relations board and company website at www.pioneermotor.th.com



Code of conduct and work practices (Code of Conduct)



Scope of authority of the Faculty Director and sub-committees



Anti-Corruption Policy



Policy for entering into related transactions or connected transactions



Manual and Risk Management
Policy



Whistle Blowing and Complaint
Policy



Duties and Responsibilities
of the Company Secretary



Audit Committee Charter



Policy on Giving or Accepting
Gifts Receptions and
donations



Personal Information Protection
Policy



Social and environmental
policy



Ethics and Code of Conduct for
Executives and Employees



Political Neutrality Policy



Tax Practice Policy



Procurement Policy



Conflict of Interest Policy

As for the remaining matters, the company will endeavor to continuously review and implement improvements. To increase the efficiency of corporate governance and raise the company's corporate governance standards. in accordance with the principles of good corporate governance For listed companies in 2017 (CG CODE)

Assessment of good corporate governance

The Company received the results of the Corporate Governance Report of Thai Listed Companies (CGR) for the year 2022 at a very good level (Very Good) conducted by the Thai Institute of Directors (IOD). Summary Survey results for 2020-2022 are as follows:

Year		Level			
2022	Very good				
2021	Very good				
2020	Very good				

Applying the principles of good corporate governance for listed companies 2022 (Corporate Governance Report of Thai Listed Companies 2022) of the SEC Office to apply.

Guideline No. 1: The Chairman of the Board of Directors should be an independent director.

Reason: The Chairman of the Board of Directors needs to be a leader with knowledge, competence, and experience and industry expertise. Even though the Chairman of the Board is not an independent director, The Board of Directors has clearly defined the roles and responsibilities of the Chairman of the Board. There is a balance of power Focus on the benefits of the company, shareholders and all stakeholders. and encourages all directors to freely express their opinions and suggestions in the meeting.

Guideline 2: Companies should allow shareholders to attend the shareholders' meeting in electronic format.

Reason: In 2023, the Company arranges a meeting of shareholders in the form of a hybrid meeting (Physical and E-AGM).

Guideline 3: Companies should set and disclose energy management goals.

Guideline 4 Companies should set and disclose water resource management goals.

Guideline 5: Companies should set and disclose waste management targets. And/or pollution reduction

Guideline 6: Companies should set and disclose management goals for reducing greenhouse gas emissions from business operations.




Reason: Currently, the Company is in the process of gathering information in various fields.

Guideline 7: The board should hold meetings among non-executive directors. without the management attending the meeting every year

Reason: The Company is in the process of preparing to allocate time together for all directors.

Assessing the Quality of the Annual General Meeting of Shareholders

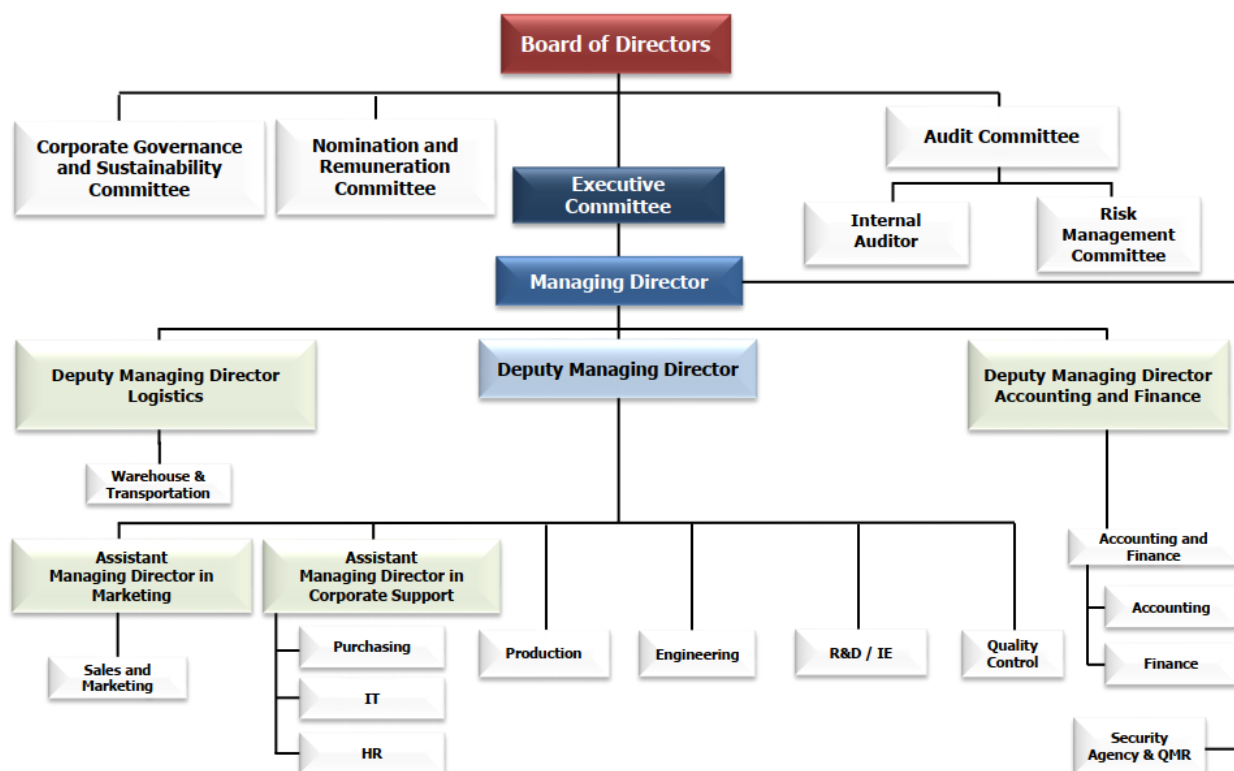
The Company places great importance on holding shareholders' meetings continuously. This year the company received a quality assessment of 100 points, at an excellent level, deserves to be an example. From the 2022 Annual General Meeting of Shareholders (AGM Checklist) Assessment Program organized by the Thai Investors Association. And summarize the results of the assessment for the year 2020-2022 as follows:

Year	Assessment Result Full Score (100 points)	
	Score	Level
2022	100	
2021	98	
2020	100	

From the AGM Quality Assessment Project by the Thai Investors Association The Association of Listed Companies and the Office of the Securities and Exchange Commission are very proud. The evaluation results reflect the good cooperation of the Board of Directors, the management team and employees in the organization in striving for continuous development of good corporate governance 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

Board of Directors Be aware of the roles and responsibilities in guiding the direction of operations. Follow up on the work of the management Perform duties with knowledge, competence, transparency, carefulness and responsibility in performing duties. (Accountability) of the Board of Directors to the Company. and shareholders independently from the management The Chairman of the Board of Directors is different from the Managing Director of the Company. There are 8 directors in total, with the goal and proportion of independent directors. The proportion of directors who are women And the ratio of non-executive directors to directors must not be less than 30 percent. The company has a ratio of independent directors to all directors at 37.5 percent, the ratio of women to all directors at 50 percent, and Of non-executive directors to all directors accounted for 50 percent.

Composition of the Board of Directors

Company's Articles of Association The Board of Directors Must consist of at least five (5) directors, with not less than half of the total number of directors. Board of Directors which is composed of capable persons is generally accepted be appointed through election by shareholders at the annual general meeting of shareholders.

The Company has established a policy on diversity of directors. Based on experience, knowledge and ability to be Benefits to the Company and does not bring differences in gender, age, race, ethnicity, nationality or place of origin as a property limitation. and has prepared a skill table Expert knowledge (Board Skill Matrix), which consists of

motor business skills in retail business, international business Accounting and Finance Management, Legal, Risk Management Marketing and Communication environment and safety, etc.

Gender



Female

4 Persons



Male

4 Persons

Proportion



3 : 8

Independent directors to all directors

4 : 8

Non-executive directors to all directors

Board Skills Matrix

Name list/specialized knowledge	Motor Business	Retail business	International business	Financial account	Management	Law	Risk management	Marketing and Communication	Environment and safety
1. Mr. Satian Pooprasert			X		X		X	X	X
2. Miss Jirayong Anuman-rajadhon		X	X	X	X	X	X	X	X
3. Mrs. Pennapha Dhanasarnsilp		X	X	X	X	X	X	X	X
4. Police general. Sakda TechaKriengkrai					X	X	X	X	X
5. Mr. Wasun Itthirojanakul	X	X	X	X	X		X	X	X
6. Mr. Christopher Robert Tape	X	X	X	X	X		X	X	X
7. Mrs. Podjamarn Wongsuwan	X	X		X	X		X	X	X
8. Miss Sirirat Itthirojanakul	X	X		X	X		X	X	X
Total	4	6	5	6	8	1	8	8	8

The list of directors (8 directors) as of 31 December 2022 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/ Chairman of the Corporate Governance and Sustainability Committee

Name - Surname	Position
5. Mr. Wasun Itthirojanakul	Board of Directors / Risk Management Committee / Nomination and Remuneration Committee/ Corporate Governance and Sustainability 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 and Sustainability Committee

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, monitor the management and strengthen the core relationship of the Board of Directors. and other sub-committees to achieve the specified 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. Monitor and supervise the implementation of the company's strategy. In every quarterly Board of Directors' meeting, the Board of Directors monitors the performance of the management. by stipulating that there must be a report on the operating results and results of the company Especially in terms of financial goals and various plans to follow the strategies laid down. Including the management has an appropriate and efficient risk management system.
14. Supervise the management to have an appropriate and efficient risk management system.
15. 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.
16. 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.
17. Evaluate the performance and determine the remuneration of the top management.
18. Supervise the management to have an appropriate and efficient risk management system.
19. 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.

20. 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.
21. 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.
22. 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.
23. 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.
24. Supervise the performance of various sub-committees in accordance with the prescribed charter.
25. The Board shall self-assess its performance and assess its overall performance.
26. Consider for the development of corporate governance in the following matters:
 - 26.1 Determining the number of listed companies in which each committee holds office no more than 5, without exception.
 - 26.2 Determine the CEO / Managing Director's policy for taking a director position at other companies.
 - 26.3 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.
 - 26.4 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.
 - 26.5 Arrange for an assessment of the Board's performance by both the faculty and the individual including disclosing the rules and the evaluation process.
 - 26.6 Arrange an annual performance evaluation of the top management (CEO) of the organization and disclose it to them.
 - 26.7 Consider the disclosure of the CEO compensation policy, both short-term and long-term including compensation based on the performance of the CEO.
 - 26.8 Consider the appointment of CG Committee (Director Level).

Board of Directors Meeting

1. Board of Directors A meeting must be held to acknowledge the Company's operating results at least every 3 months. and exercise independent discretion Directors should attend every meeting. In addition to force majeure which must be notified to the secretary of the Board of Directors The company must report the number of meetings attended by the Board of Directors in the annual report. In each meeting of the Board of Directors for all committees to know in advance The secretary of the Board of Directors must deliver meeting invitation letters to all directors. to be aware of Date, time, place and agenda This is delivered at least 7 days in advance and is responsible for collecting meeting documents from the directors. and management to deliver to the board in advance And such documents must provide sufficient information for decision-making and independent discretion of the board. The secretary of the committee must record the issues in the meeting. in order to prepare the minutes of the meeting which must contain complete contents And completed within 15 days from the date of the meeting. To propose to the Chairman of the Board of Directors to sign and must provide a good storage system. Easy to find and keep secrets well.

2. Director who have an interest in any matter has no right to vote on that matter

3. Voting in the Board of Directors' Meeting to consider the majority opinion as important In case of equal votes, the chairman of the meeting shall have an additional vote as a deciding vote. However, the opinions of other directors who did not agree were to be stated in the minutes of the meeting.

The company has set a schedule for the 2023 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 2023
1.	Friday, February 24, 2023	Friday, February 24, 2023	Tuesday, April 25, 2023
2.	Tuesday, May 9, 2023	Tuesday, May 9, 2023	
3.	Tuesday, August 8, 2023	Tuesday, August 8, 2023	
4.	Tuesday, November 7, 2023	Tuesday, November 7, 2023	

Segregation of duties between the Board of Directors and the Management

The Company has clearly separated roles and responsibilities between the Board of Directors and the management. according to the power manual conducting the company The Board of Directors is responsible for setting policies and supervising the operations of the management at the policy level, while the management is responsible for managing various areas. to be in accordance with the specified policy, therefore, the Chairman of the Board and President Therefore, they are two different persons. Both positions must be selected by the Board of Directors in order to obtain the most suitable person. In addition, the Board of Directors determines the succession plan of senior executives. The plan is reviewed annually by meeting among non-executive directors. without management attending the meeting on the said agenda

The Chairman of the Board is not an executive director. and has no involvement in the management of the company as well as not having the authority to sign Binding companies to segregate duties between corporate governance The overall policy of the company and the management clearly. As for the management, it has been assigned authority to operate under various policies that are responsible for the overall performance, controlling expenses and investment budgets within the scope approved by the Board of Directors in the annual work plan. Problems or conflicts affecting the organization and maintain effective communication with stakeholders

Training Courses for the Company's Directors in 2022

No.	Name - Surname	Position	Name of courses taken in 2022
1.	Mr. Satian Pooprasert	Chairman of the Board	- RCL Course, Class 29/2022 "Risk Management Program for Corporate Leaders"
2.	Miss Jirayong Anuman-rajadhon	Chairman of Audit Committee / Independent Director	- Health and Medical Business Opportunities Program for Executives (WHB 2) - The Ultimate Leadership Program in Insurance Science (Super Wor Sor. 2)
3.	Mrs. Pennapha Dhanasarnsilp	Audit Committee Director / Independent Director	- "Thailand Marketing Day 2022: The Game Changer", Marketing Association of Thailand, event "Thailand Marketing Day 2022: The Game Changer"

No.	Name - Surname	Position	Name of courses taken in 2022
4.	Mrs. Podjamarn Wongsuwan	Deputy Managing Director of Accounting and Finance	<ul style="list-style-type: none"> - TLCA CFO CPD Training No. 1/2022 on "Upgrading the Quality of Financial Reports of Thai Listed Companies" - Course "Business Model Reinvention for Corporate Sustainability" - TLCA CFO CPD Training No. 3/2022 on the topic "PDPA for Accounting and Finance" - TLCA CFO Professional Development Program (TLCA CFO CPD) Training No. 3/2022 - Risk Accounting and Risk Management for Accountants course
5.	Ms.Sirirat Itthirojanakul	Assistant Managing Director in Marketing	<ul style="list-style-type: none"> - Training on how to use the function of preparing annual information forms/annual reports (Form 56-1 One Report) on the SETLink system. - SET ESG Expert Pool Training: Invitation to join the activity "ESG Expert Pool 1st Meeting 2022" - Training activities THSI Coaching 2022 to prepare before assessment - Training on Circular Economy, "Business Greenhouse Gas Reduction Path" - Seminar "Insights into PDPA, Personal Data Protection Act that the organization should know" - Training course Personal Data Protection Act That online businesses must know in 2022 - Seminar on Preparing for PDPA Enforcement for Company Secretary - Listen to "Connecting Corporates and Investors through Environmental Disclosure" - Online training course "Introducing the use of SET Sustainability Reporting Guide according to basic ESG Metrics and industry groups" - CGR Workshop 2022 "Seminar clarifying CGR Project Survey Criteria 2023" - Training and Workshop on Climate Change Measurement & Management 2022 - CGR Workshop 2/2022 online seminar titled "Seminar clarifying CGR Project Survey Criteria 2023" - Participated in ESG Training #2 "Influencing without Authority: How to Inspire, Influence, and Achieve Results" with Dr. Siraya Kongsompong - Training course "Information Disclosure via SETLink System" for listed companies - Special training course for executives of listed companies

No.	Name - Surname	Position	Name of courses taken in 2022
			"SET x IAA : Techniques for Adding Value to Listed Companies From a Securities Analyst's Perspective" Class 2 - Seminar on preparing for the preparation of Form 56-1 One Report - Optimizing factory environment management According to the selection criteria for the Outstanding Industry Award Type of environmental protection - Participate in the activity "THSI 1-on-1 Advisory 2023" (2H). - Training course "Business Model Reinvention for Corporate Sustainability"
6.	Ms.Narerat Itthirojanakul	Assistant Managing Director in Corporate Support	- Training on how to use the function of preparing annual information forms/annual reports (Form 56-1 One Report) on the SETLink system. - Training on Circular Economy, "Business Greenhouse Gas Reduction Path" - Seminar "Insights into PDPA, Personal Data Protection Act that the organization should know" - Training course Personal Data Protection Act That online businesses must know in 2022 - Special training course for executives of listed companies "SET x IAA : Techniques for Adding Value to Listed Companies From a Securities Analyst's Perspective" Class 2 - Training course "Business Model Reinvention for Corporate Sustainability"
7.	Mr.Papat Itthirojanakul	Production Manager	- "Transforming Thai Industry to Circular Economy" Project or BCG Model Driving Project for Industry - Training on Circular Economy, "Business Greenhouse Gas Reduction Path" - Special training course for executives of listed companies "SET x IAA : Techniques for Adding Value to Listed Companies From a Securities Analyst's Perspective" Class 2

At present, there are 3 and 6 directors attending training courses related to the performance of duties as directors, Director Certification Program (DCP) and Director Accreditation Program (DAP) of the IOD, respectively, a total of 8 directors from all directors or % 100

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.

With Ms.Sirirat Itthirojanakul as the Company Secretary.

Term of office of the Company's directors

- Number of years in office for each term Company Directors have a term of office for a term of not more than 3 years in accordance with relevant laws. And upon expiration of the term, may be considered for further election as a director of the Company.
- Number of consecutive terms in office of independent directors Independent directors can hold office for a maximum term of not more than 9 years from the date of the 2015 Annual General Meeting of Shareholders (29 April 2015), unless the shareholders' meeting considers reasons and necessity. according to the company Propose and approve the selection of independent directors who have held the position of independent directors for more than 9 consecutive years as such independent directors.

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 2022 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

Year 2019 - present	Director	- CPanel Public Company Limited
Year 2019 - Year 2022	Director	- AUA Language Center
Year 2016 - present	Director and Managing Director	- Brand and Business Ventures Company Limited
Year 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
Year 2015 - 2021	Director and Chairman of the Audit Committee	- Primo Service Solutions Company Limited
Year 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 2022 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

- Determine methods for recruiting suitable persons to hold directorship positions that are suitable for the nature and business operations of the organization. by defining properties and expertise in each field that needs to be
- Nomination of Directors When it is time to nominate a director to the Board of Directors for consideration, the nomination may consider from the former director to continue the position. or open for nomination from shareholders or the use of the Company external recruitment or considering from a person from the professional director's directory or allowing each director to nominate an appropriate person, etc.
- Consider the list of nominated persons and select the qualified persons according to the specified qualification criteria.
- Verify that the person to be nominated meets the legal and regulatory requirements of the relevant authorities.
- Proceed to approach the person who has the qualifications according to the eligibility criteria set. To ensure that such person is willing to take the position of director of the company. If appointed by the shareholders
- Nominate names to the Board of Directors for consideration and inclusion in the notice of the shareholders' meeting. for the shareholders' meeting to consider and appoint
- Consider recruiting high-ranking executives. As assigned by the Board of Directors

Remuneration

1. Consider the remuneration criteria for directors and top executives. to be appropriate by reviewing the appropriateness of the currently used criteria Comparison with compensation information of other companies in the same industry as the company. and determine appropriate criteria in order to produce results as expected to be fair And as a reward to the person who helped the company's work to be successful.

2. Review all forms of compensation. such as regular compensation Compensation based on performance and meeting allowance taking into account the practices used by the same industry Performance and size of the company's business and responsibility, knowledge, competence and experience of directors and high-ranking executives required by the Company.

3. Consider the criteria for evaluating the Managing Director's performance. Executive Director and senior executives as assigned by the Board of Directors

4. Determine annual remuneration for directors. managing director Executive Director and senior management According to the payment criteria have been considered. and presented to the Board of Directors for approval of the Managing Director's remuneration. Executive Director and senior management Director's portion Let the Board of Directors propose to the shareholders' meeting for approval.

5. Consider suitability and give approval. In case of offering new securities to directors and employees by adhering to the principles of fairness to shareholders and incentivize directors and employees to perform their duties in order to create long-term added value for shareholders and to retain quality personnel.

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 goo 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 2022, 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 6 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 2022 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, 2022 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 Executive Committee

1. To control the management of the company in accordance with the policies set by the Board of Directors and report the results of operations to the Board of Directors. More than half of the executive committee, while the resolution of the executive committee requires a majority vote of the meeting and such vote counts at least half of the total vote of the executive committee.
2. Consider the authorization and level of approval of each person. to be appropriate and segregation of duties that may facilitate corruption Including defining steps and how to do transactions with major shareholders, directors, executives or persons related to such persons appropriately to prevent transfer of benefits and presented to the Board of Directors for approval in principle. Including controlling the compliance with the principles and requirements that have already been approved.
3. Consider the annual budget. and steps in spending budget to propose to the Board of Directors and supervise the expenditure according to the budget approved by the Board of Directors
4. Consider improving the company's business plan to be appropriate. for the benefit of the company
5. Consider approving investments and determine investment budgets. according to the authority in the manual of operating power
6. Consider contracts that binds the company according to the authority in the operating power manual
7. To be responsible for having sufficient important information of the company to support decision making by the Board of Directors and shareholders, including preparing reliable financial reports. Good standards and transparency
8. Consider the profit and loss of the company and propose annual dividend payment to the Board of Directors.
9. Consider new business ventures. or termination of business to be presented to the Board of Directors.
10. Ensure that there is a procedure for operators to report incidents. or abnormal actions or unlawful acts to the Executive Committee in a timely manner and in the event that such event has a material effect Must be reported to the Board of Directors for consideration and correction. within a reasonable period
11. Take any action to support the above actions. or according to the opinion of the Board of Directors or as authorized by the Board of Directors
12. Proceedings to the Executive Committee meeting on any matters that have been resolved and/or approved by the Executive Committee meeting. Must be reported to the Board of Directors at the next Board meeting.

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 appointed a Nomination and Remuneration Committee to consider the form of and criteria for the remuneration of directors to be proposed to the shareholders' meeting for approval. by considering the appropriateness and alignment with the scope of duties and responsibilities of the directors Related risks Long-Term Strategies and Goals And comparable to the rate of remuneration of directors in the industry at the same level.

The Annual General Meeting of Shareholders No. 1/2022 held on April 26, 2022 approved the remuneration of directors. This shall remain in effect until the shareholders' meeting determines otherwise. The directors who are assigned to be members of the sub-committees receive such compensation as appropriate and the performance of the Board of Directors. Except executive directors and executives will not receive remuneration from sub-committees.

7.4.3 Total remuneration of executive directors and executives

Monetary compensation

- A. Compensation for Company Directors
- B. The 2022 Annual General Meeting of Shareholders on April 26, 2022 resolved to approve the determination of remuneration for the Company's directors in the form of meeting allowances per time with details as follows

Position	Meeting allowance per time 2021	Meeting allowance per time 2022
Chairman of the Board	15,000	18,000
Chairman of Audit Committee	12,000	14,000
Chairman of the Nomination and Remuneration Committee	12,000	14,000
Chairman of the Risk Management Committee	12,000	14,000
Chairman Corporate Governance and Sustainability Committee	-	14,000
Board of Directors	10,000	12,000
Audit Committee Director	10,000	12,000
Nomination and Remuneration Committee	10,000	12,000
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 aforementioned amount of remuneration can be changed according to the suitability and performance of the Board of Directors.

- Incidentally, the Company does not pay remuneration and any other benefits to directors other than those specified above. as in 2021

In this regard, the directors' remuneration is fixed in the total amount not exceeding 2,000,000 baht per year. As of 31 December 2022, the remuneration for each director. In the form of meeting allowances are as follows:

Unit: Baht

List of directors	2021					2022					
	Board of Directors	Audit Committee	Nominated and Compensation Committee	Risk Committee	Total	Board of Directors	Audit Committee	Nominated and Compensation Committee	Risk Committee	Corporate Governance & Sustainability Committee	Total
1. Mr. Satian Pooprasert	90,000	-	-	-	90,000	108,000	-	-	-	-	108,000
2. Miss Jirayong Anuman-rajadhon	64,000	48,000	10,000	-	122,000	74,000	56,000	12,000	28,000	-	170,000
3. Mrs. Pennapha Dhanasarnsilp	60,000	40,000	12,000	-	112,000	72,000	48,000	14,000	-	-	134,000
4. Police general. Sakda TechaKriengkrai	60,000	40,000	-	-	100,000	72,000	48,000	-	-	-	120,000
5. Mr. Wasun Itthirojanakul	-	-	-	-	-	-	-	-	-	-	-
6. Mr. Christopher Robert Tape	-	-	-	-	-	-	-	-	-	-	-
7. Mrs.Podjamarn Wongsuwan	-	-	-	-	-	-	-	-	-	-	-
8. Miss Sirirat Itthirojanakul	-	-	-	-	-	-	-	-	-	-	-
Total	274,000	128,000	22,000	-	424,000	326,000	152,000	26,000	28,000	-	532,000

Source: The Company (as of 31 December 2022)

Remark : 1 The 2022 Annual General Meeting of Shareholders considered and approved the Board of Directors' remuneration for the year 2022.

Executive Compensation

Policy on Remuneration for Senior Executives The Nomination and Remuneration Committee assesses the Managing Director's performance based on the Company's business performance. Implementation of policies received from the Board of Directors in conjunction with overall economic and social conditions The Nomination and Remuneration Committee will use the information to determine the appropriate remuneration of the Managing Director of the Company. The Board of Directors evaluates the performance of executives. By looking at the current year's data and comparing the historical data on the following factors:

1. Performance of the Company's operations each year
2. Comparison of operating results in the same industry
3. The ability to develop business and improve the efficiency of the company's operations each year. and ESG performance according to the Company's targets.

Compensation for the management	2020		2021		2022	
	No. (persons)	Amount (Baht)	No. (persons)	Amount (Baht)	No. (persons)	Amount (Baht)
Salaries and bonus	8	23,806,927	7	24,694,887	7	25,835,293
Provident fund contributions	7	339,265	7	358,467	7	377,080
Others	4	375,000	4	424,000	4	532,000
Total		24,521,192		25,477,354		26,744,373

Source: The Company (as of 31 December 2022)

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	2020	2021	2022
Compensation of full-time employees in the form of salaries and wages	81.54	86.39	93.13
Provident Fund, Bonus and other benefits ^{/1}	39.32	42.59	42.28
Total	120.86	128.98	135.41

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

Personnel

As of December 31, 2022, the Company has a total of 551 employees, of which 274 are male and 247 are female. Overtime pay, bonus and provident fund contributions Not including other staff expenses, totaling 135.41 million baht.

In 2022, as of December 31, 2022, the proportion of employees participating in the provident fund compared to the total number of employees are as follows:

list	Pioneer Motor Public Company Limited		
	2021	2022	2023
No. of Employees Joining Provident Fund (Person)	232	241	230
Prop of Employees Joining Provident Fund/Total Employees	46.77%	47.16%	41.74%
Amount of money contributed by the company to the provident fund (Baht)	1,230,401.57	1,297,905.92	1,265,267.76

Other compensation

- None –

7.5 Employees

Employment/Termination

The company has an employment policy that focuses on equality. There is no limit or discrimination in terms of gender, race, religion and culture. In 2022, Pioneer Motor Public Company Limited has a total of 551 employees, with a range of age, gender, education level. and a variety of operational characteristics

Number of employees

As of 31 December 2022 the Company has total number of 551 employees with details as follows.

Number of employees	2020	2021	2022
1. Marketing			
Freight Department (Sales - Stock - Delivery)	23	27	23
2. Corporate Support Division			
Department of Information Technology	2	2	2
Engineering department	20	19	20
Research, development & production engineering department	8	7	5
Purchasing and logistics department	4	4	6
Human Resources Department (Hr-Operator, Maid)	9	8	9
Maintenance Department - Tool Room	11	10	8
3. Corporate Support Division			
Manage	7	7	7
Accounting and Finance Department	9	9	9
4. Production Line			
Production Department (PD-PL-ST)	379	393	421
Quality inspection department	24	25	27
Total	496	511	551

Source: The Company (as of 31 December 2022)

Labor

The labor being used in the motor production line, pumps and water pumps in 26 main departments has 551 people 521 Thai workers, 30 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).



	<u>TH</u> <u>Foreign</u>		<u>TH</u> <u>Foreign</u>		<u>Total</u>	<u>Thai workers</u>		<u>Foreign workers</u>	<u>Total</u>
Year 2020	227	3	260	6	496	487		9	496
Year 2021	230	2	275	4	511	505		6	511
Year 2022	247	10	274	20	551	521		30	551

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)

Compensation and welfare payments to employees

The Company has a fair remuneration policy. as well as creating career stability and opportunities for career advancement fairly and provide various welfare benefits for employees of the Company As required by law, such as social security and in addition to what is required by law, such as giving out free employee uniforms every 2 years, as well as various types of allowances such as benefits for married employees Employee subsidies for funerals of deceased parents, etc. Including the company taking into account the well-being of employees outside working hours is something the company realizes. The company provides a dormitory for employees who Domiciled in other provinces

The company paid remuneration to employees for the year 2021 in the amount of 154 million baht and for the year 2022 in the amount of 162 million baht. Such compensation is in the form of salary, bonus, overtime pay, savings fund. Other welfare of employees Social Security Workmen's compensation fund and provident fund establishment

Employee Development Policy

The company has a policy to enhance knowledge. and develop the potential of employees by organizing training within the company Including delivery to attend training outside the company with various agencies For the benefit of future work of the employees. In addition, in order to build morale and morale at work, the Company has a policy to provide welfare to employees. and further improve the welfare as appropriate

Development of knowledge and potential of employees

The company has a policy to promote personnel development. By encouraging employees to develop their knowledge, abilities, potential, and positive attitudes. Moral and ethical and teamwork Through training, seminars, and field trips for employees to be developed effectively. In addition, the company focuses on promotion from within. and have a performance evaluation which is an important factor for stable and strong business growth

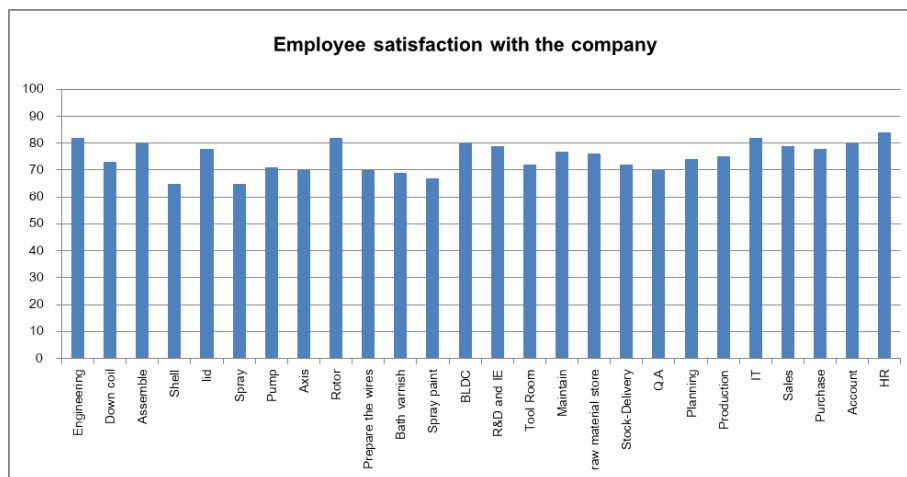
The company has also supported the development of the organization and human resources. by focusing on efficient work processes clearly defined roles and responsibilities of employees Determining appropriate compensation and improving the salary structure to be always up-to-date Developing an assessment system and enhancing the performance of employees The company has provided various training courses.

In 2022, the company has organized a course on anti-corruption policies and measures. By requiring that all employees have to train and test their knowledge. Understanding of anti-corruption in accordance with the company's anti-corruption policy and measures This topic is one of the orientation topics for all new employees, which must be trained before starting the current job.

100% of the Company's employees have passed the training and have communicated through E-mail, public relations boards. Let all employees know about the risks that may lead to corruption. Including operational guidelines to prevent corruption, such as notifying guidelines on the No Gift Policy during important festivals and channels for reporting clues, complaints, etc.

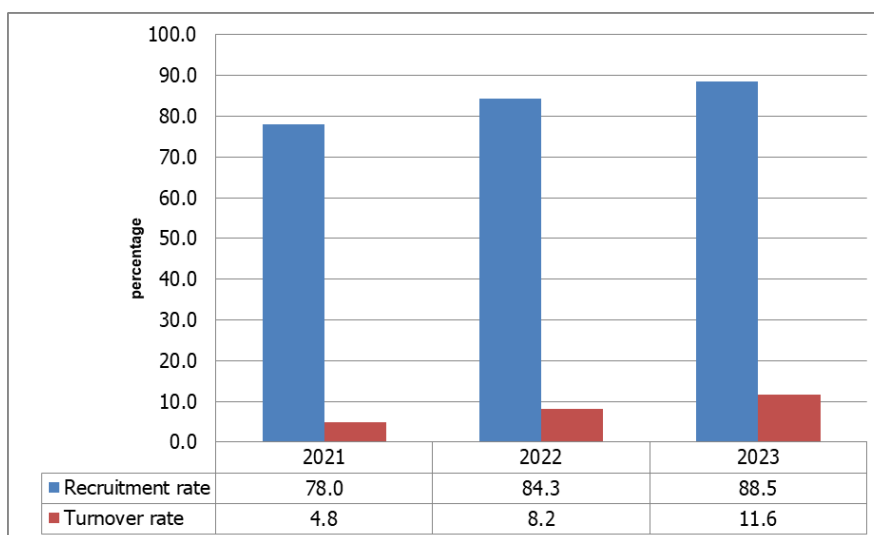
Employee Engagement Assessment

The company realizes that employees are the most valuable resource. and likened to the power of an organization to do for the organization to achieve its goals Therefore, recognizing and meeting the expectations of employees is something that the organization has always focused on. by having operated Explore employees' feelings and perspectives towards the organization's operations. The company conducted a survey of employee expectations. In 2022, it was found that the results of the employee engagement and satisfaction survey had an average score of 82 percent, and the results were analyzed to determine strategies and review guidelines. Measures to enhance employee engagement and participation which helps the organization to achieve its goals



Employee recruitment rate and turnover rate

In 2022, the company's employee turnover rate was 11.6%, which is still below the industry norm. One of the main reasons for the majority of employees leaving is the need to have their own business. The recruitment rate of employees is 88.5 percent, which is a high criterion in the industry. Most of the employees of the company are people in Nakhon Pathom province and nearby areas.



In 2022, the company formulated a strategy for enhancing the competency of employees in line with the business direction of the company. Both in the development of employees with high potential. Employee development in leadership. The company organizes training through various forms, including seminars (Workshop), training through ZOOM, online lessons (E-Learning) and practical learning.

No.	Training date	Location	Course Name	Participants level - number of participants						Total no. of participan ts (persons)
				(persons)						
				Staff level		Management level		Higher level		
Male	Female	Male	Femal e	Male	Femal e					
1.	22/2/2022	Mida Grand Hotel Dhavaravati, Nakhon Pathom	Additional vocational training Entrepreneur Potential Development Branch Entrepreneurship Development		2	1	2			5
2.	6/7/2022	Thenarai building room Thai Human Imagery Museum	Employment of people with disabilities in enterprises and government agencies fiscal year 2022			1				1
3.	9/7/2022	Company training room	Manufacturing Process Improvement with "ECRS" Technique	25	43	1	1			70
4.	13/7/2022	Company training room	Cost Reduction Techniques That Everyone Participates	27	40	2		1		70
5.	27/7/2022	multipurpose room Thai Human Imagery Museum	Employer Recognition Program establishment foreign workers and partner organizations		1	1			1	3
6.	27/8/2022	Company training room	Improving work quality with lean systems	18	47	1	4	3		73
7.	27/8/2022	Company training room	Driving a forklift safely and correctly	12		3				15
8.	28/9/2022	Company training room (via Zoom)	Precautions for submitting financial statements for the year 2022 and preparing for the submission of the financial statements for the year 2023		1				1	2
9.	14/10/2022	Company training room	Communication to reduce losses in the industry	30	35	3	3	1		72
10.	2/12/2022	Company training room (via Zoom)	Preparation of Cash Budgeting for senior executives to plan and make decisions for executives.		1				1	2
11.	21/12/2022	Company training room (via Zoom)	Risk management of accounting and finance systems						1	1
12.	4-5/7/2022	Company training room (via Zoom)	Climate Change Measurement & Management 2022		1	1				2
Total				112	171	14	10	5	4	316

Remark: With the COVID-19 epidemic situation in 2022, 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 30% of the total number of employees announced on September 14, 2022

Summary of the training in 2022

Total employees	551	persons
No. of participants	316	persons
No. of training hours	1,896	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

Roles and duties of investor relations to communicate important information to investors retail investors, shareholders and securities analysts. The Company places importance on disclosure of information that is accurate, complete, transparent and thorough, as well as presenting results and informing corporate information to institutional investors. retail investors, shareholders and securities analysts, as well as related parties

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@pioneermotor.th.com Tel: 034-265111-8 Or fax: 034-265119

7.6.6 Auditor's remuneration

1. Remuneration of the auditor (Audit Fee)

The Company has paid audit fees for the financial statements for the 2020, 2021 and 2022 accounting periods to AST Master Co., Ltd.; the Company's auditor is as follows.

	Unit: Baht		
	2020	2021	2022
1. Annual audit fee	800,000	800,000	820,000
2. Fee for reviewing interim financial statements	330,000	330,000	330,000
Total	1,130,000	1,130,000	1,150,000

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

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

Recruitment

The Board of Directors must consider or assign the Nomination Committee to consider criteria and methods for recruiting qualified persons to hold the position of Managing Director in order to ensure business continuity. The Board of Directors must oversee that there is a succession plan in place to prepare for the succession of the President. and senior management The President is also required to periodically report the performance according to the succession plan to the Board of Directors at least once a year.

Succession Plan Policy

The company is aware of the importance of the policy on succession plans. which is considered part of human resource planning The remuneration and benefits are determined and monitored for personnel appropriately and fairly. in order to maintain personnel ready to grow with the company in the long term. There is an appropriate and transparent selection plan for personnel to be responsible for important management positions at all levels. to ensure that the Company Get a professional executive and to provide qualified personnel with sufficient knowledge and ability to be ready to replace executives and senior management In the case of resignation, retirement, completion of term, or inability to perform duties in any case, in order to ensure smooth continuity of work in that position efficient and reduce the risk of not having a successor

Recruitment guidelines and selection criteria

Nomination and Remuneration Committee as a succession planner Executive Chairman managing director and executives of the Company to propose to the Board of Directors for consideration For the recruitment and selection of persons to serve as executive positions of the Company Nomination and Remuneration Committee Has arranged to monitor the progress of the succession plan. Including reporting the progress of the succession plan to the Board of Directors for acknowledgment. It covers the following positions:

1. Managing Director level

When the position of managing director level is vacant or the person in the position is unable to perform the duties in the position, the Company has a recruitment approach by allowing the executive level to be similar. Or a subordinate to act in the position until the recruitment and selection of persons with key qualifications. According to the criteria that the company Determined by consideration of the Nomination and Remuneration Committee as the nominator. to present to the Board of Directors Consider approving the appointment of a suitable person to take the position in place of the next

The main qualifications of the Managing Director are as follows:

1. Education not lower than a bachelor's degree
2. have knowledge and ability Experience in industrial management
3. Leadership and wide vision
4. Have the ability to plan strategies and manage the organization.
5. Have a decision Discreet problem solving Take into account the society, the environment and the company's utmost benefits.

individual development approach

1. Participate in the director training courses necessary for the benefit of performing duties.
2. Always encourage the exchange of ideas with organizations and external experts of various organizations.

2. Executive Level

When an executive position resigns or a person in position is unable to perform his or her duties in the position, the Company will present a selected successor to the Executive Board. There is a process as follows:

1. Analyze the business situation of the Company in terms of the Company's strategy, policy, investment plan, expansion plan
2. Assess the readiness of manpower to be in line with the company's strategy. both in the short term and in the long term
3. Formulate a plan to build the readiness of manpower. by developing employees or recruiting new employees to prepare replacements for retired employees
4. Create a recruitment plan (Recruitment) and develop employee training (Employee Training and Development) in advance by providing training courses. to develop employees prepare employees
5. Determine the ability (Competencies), which means knowledge, skills, personality and desirable attitudes of employees in that position.
6. Select, evaluate performance and evaluate the potential of employees to determine their suitability.
7. Use personnel testing and assessment tools to analyze employee potential.

Criteria and method for selection of persons

1. The Remuneration and Nominating Committee is responsible for selecting qualified persons based on names and backgrounds of those nominated as replacements from the previous Board of Directors who retired by rotation from The proposals of the shareholders or from the Charter of Professional Directors are in line with the Company's business strategies by preparing a Board Skill Matrix for selection based on good qualifications. Diversity in terms of qualifications, professions, skills, age, experience, gender, race, religion, origin, expertise and specific competencies required in the current situation.

2. It is the right of every shareholder equally to nominate other persons for consideration by the Company. Has set guidelines for nomination and announced through the news system of the Stock Exchange of Thailand 90 days in advance before the end of the accounting period.

3. The Remuneration and Nominating Committee screens and examines the list of candidates proposed for directorship with relevant agencies to ensure that they are qualified and without untrustworthy characteristics.

4. The Nomination and Remuneration Committee nominates qualified candidates to the Board of Directors' Meeting. In the event that a Director is due to retire by rotation, the Board of Directors will propose to the Shareholders' Meeting for approval. In other cases, it can be appointed by the Board of Directors.

5. In voting for the election of directors, shareholders have one vote per share and will use the method of election on an individual basis.

The Board of Directors must clearly define policies and procedures for the President and top executives in taking up directorships in other companies. both the type of director position and the number of companies that can hold the position

Knowledge Development Policy for Directors

Pioneer Motor Public Company Limited realizes the importance of continuous knowledge development of directors. This includes developing skills, knowledge, and related abilities. including changes in laws, rules and regulations related to business operations. In addition, an orientation for new directors is organized. By focusing on the performance of the directors to achieve the objectives, goals and maximize the benefits to the organization. The company has set the guidelines as follows.

Board of Directors

Board of Directors Board of Directors Nomination and Remuneration Committee Audit Committee and the Corporate Governance Committee Should attend training / seminars, courses that are beneficial to the performance of duties. Both in terms of laws, regulations or requirements organized by the Thai Institute of Directors Association (IOD), the Securities and Exchange Commission. Stock Exchange of Thailand Capital Market Supervisory Board Thai Institute of Directors Association or other institutions related to the performance of duties

New director

new director Or new directors will receive orientation according to the director development plan. To receive important information about the business operations of the company. business goals The overall nature of the company's business, roles, duties and responsibilities. Including creating an understanding of the objectives, goals, vision, mission, values of the organization. as well as giving advice on laws, regulations, notifications, requirements, relevant acts conditions of being a director of a listed company on the Stock Exchange of Thailand Including company regulations from the Board of Directors sufficiently before performing their duties in accordance with the Board Orientation Guideline of the Stock Exchange of Thailand (SET). train Seminars in courses related to the performance of duties, both courses of the Thai Institute of Directors Association (IOD), especially the Director Certification Program (DCP) and Director Accreditation Program (DAP) courses, including the Securities and Exchange Commission (Kor. SEC), the Stock Exchange of Thailand (SET), or other agencies Related To develop knowledge, ability and increase skills that are beneficial to the performance of duties as a director. according to the development plan for directors continuously To comply with relevant requirements, laws and regulations.

Company secretary

The Board of Directors encourages and supports the Company Secretary to attend trainings/seminars on an ongoing basis in necessary and relevant courses that will be beneficial to the performance of duties. Including courses that are certified (Certified Program) for skill development in performing duties annually. Both in terms of laws, accounting, rules or regulations organized by the Thai Institute of Directors Association (IOD), the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand. Thai Investors Association (TIA), Social Business Institute (CSRI), Thai Development Institute, Thai Company Secretary Club (TCSC), Association of Listed Companies on the Market for Alternative Investment (maiA) or other institutions on relevant topics regularly. To develop the potential in performing duties in accordance with the regulations, requirements and relevant laws.

Orientation for new directors

The Company recognizes the importance of performing duties of new directors. Therefore, there is an introduction to the overall operation of the company. Subsidiaries structure and related business companies in order to have an understanding of both the working method and the shareholding structure between them. In addition, it also provides information that is important and necessary for the performance of duties of directors, such as the work structure within the company. Articles of Association company objectives Business Ethics of the Board of Directors Director's handbook for listed companies Good Corporate Governance Policy Related laws Financial statements Notes to financial statements Including a meeting with the Chairman of the Board of Directors. Board of Directors Subcommittees of the Company To get information about the business operations of the company.

Performance Evaluation of the Criteria Committee

Nomination and Remuneration Committee The Corporate Governance Committee arranges an evaluation of the performance of the Board of Directors. Both as a group assessment and an individual (self-assessment) annually at least once a year, using the self-assessment guideline of the Board of Directors. from the Stock Exchange of Thailand¹ to be adapted to suit the nature and structure of the Board of Directors To be used as a framework for auditing the performance of duties of the Board of Directors. and encourage joint consideration of works and problems on various issues related to the operations of the company and good corporate governance and to disclose the criteria, procedures and overall evaluation results in the annual report, Form 56-1 One Report.

Topics for performance evaluation of the committee as a group are as follows:

- 1) Structure and Qualifications of the Board of Directors
- 2) Roles, Duties and Responsibilities of the Board of Directors
- 3) Board meetings
- 4) Duties of Directors
- 5) Relationship with management
- 6) Self-development of directors and development of executives
- 7) Result of corporate governance assessment of listed companies of the Company by Thai Institute of Directors Association

Topic of performance evaluation of individual committee members (self-assessment) are as follows:

- 1) Structure and Qualifications of the Board of Directors
- 2) Board meetings
- 3) Roles, Duties and Responsibilities of the Board of Directors

Steps

The Company conducts an annual performance assessment of the Board of Directors to assess the performance of the previous year. The company secretary will deliver such assessment form to each director to assess both as a group and individually (self-assessment) and compile to present to the Nomination and Remuneration Committee. Corporate Governance Committee to perform performance evaluations and bring the evaluation results to discuss at the Board of Directors' meeting. This is for various suggestions. The results obtained from the performance evaluation of the Board of Directors will be used to improve the effectiveness of the Board of Directors' work for the best benefit of corporate governance.

Results of performance assessment of the Board of Directors as a whole and individually in 2022 under the topic Structure and Qualifications of the Board of Directors Roles and Responsibilities of the Board of Directors board meeting Director's duties Relationship with Management Self-development of directors and development of executives It was found that the evaluation results were in good criteria.

Evaluation of the performance of sub-committees

Guidelines

Board of Directors Arrange for an annual assessment of the performance of each sub-committee. At least once a year, using the Board of Directors' self-assessment guideline from the Stock Exchange of Thailand. There are topics about the structure and qualifications of each sub-committee that are appropriate. Sub-committee meeting and roles, duties and responsibilities of each sub-committee Emphasis was placed on sufficient time for consideration, review and compliance with various matters.

Steps

The Company conducts an annual assessment of the performance of each sub-committee. to assess the performance in the past year The Company Secretary will send the assessment form to the Chairman of the Executive Committee to assess the performance of each sub-committee. and bring the evaluation results to discuss at the Board of Directors' meeting.

Evaluation of the performance of sub-committees consisting of the Audit Committee Nomination and Remuneration Committee Corporate Governance Committee and the Risk Management Committee It was found that the performance assessment results of all subcommittees in 2022 were in good criteria.

Evaluation of the performance of the Executive Chairman (CEO)

Guidelines

Board of Directors Assess the performance of the Chief Executive Officer (CEO) annually. At least once a year on the topic about leadership Defining and implementing a strategic plan Financial Planning and Performance Relationship with the Board external relations Administration and personnel relations succession Knowledge of products and services Risk Management and Internal Control Corporate Governance and personal attributes by using the evaluation guidelines from the Stock Exchange of Thailand

Steps

The Company arranges for the performance assessment of the Chief Executive Officer every year. to assess the performance in the past year The company secretary will deliver the evaluation form to the Company's independent directors or all non-executive directors or Nomination and Remuneration Committee Corporate governance committee to assess performance and bring the evaluation results to discuss at the Board of Directors' meeting. and determine the appropriateness of the remuneration further

By evaluating the performance of the Chief Executive Officer (CEO) in 2022, it was found that the assessment results were in good criteria in the past year 2022. All assessment results above. Demonstrated satisfaction with performance over the past year

8.1.2 Meeting attendance and remuneration of individual committees

The Board of Directors' meetings

In 2022, the Company has provided equipment to facilitate meetings via electronic media (E-meeting) or telephone (Teleconference) so that directors can attend the Board of Directors and sub-committee meetings to express opinions or suggestions. Give useful advice to management or the operations of the company.

Name - Surname	2021				2022				
	Board of Directors	Audit Committee Director	Nomination and Remuneration Committee	Corporate Governance & Sustainability Committee	Board of Directors	Audit Committee Director	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance & Sustainability 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	2/2	-
3. Mrs. Pennapha Dhanasarnsilp	6/6	4/4	1/1	-	6/6	4/4	1/1	-	-
4. Police general. Sakda TechaKriengkrai	6/6	4/4	-	1/1	6/6	4/4	-	-	-
5. Mr. Wasun Itthirojanakul	6/6	4/4	-	1/1	6/6	4/4	1/1	2/2	-
6. Mr. Christopher Robert Tape	6/6	4/4	-	-	6/6	4/4	-	2/2	-
7. Mrs. Podjamarn Wongsuwan	6/6	4/4	-	-	6/6	4/4	-	-	-
8. Miss Sirirat Itthirojanakul	6/6	4/4	-	1/1	6/6	4/4	1/1	2/2	-

Source: The Company (as of 31 December 2022)

Remark: 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

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.

In 2022, the Company Secretary Department will notify related persons by e-mail about the blackout period in advance and there will be no directors, executives or relevant employees trading securities during the period specified by the Company. to refrain from trading

- (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.

The securities trading policy The use of inside information and secrets of the Company Directors, executives and all employees has acknowledged in all respects as well as overseeing compliance with the specified business ethics and employee ethics.

In 2022, the Company educated directors, executives and employees by publicizing and disseminating the insider information policy via e-mail. and public relations board In 2022 No insider trading violations were found.

(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.

3.2 The donation must be made in the name of the “Company” only, provided that there must be clear and reliable evidence of the donation and must comply with the Company's procedures and regulations. The donation will not be used as an excuse or used for any other purpose.

4. Giving or receiving gifts, souvenirs or entertainment

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.

(4) Notification of complaints and suggestions

Whistleblower or complaints of corruption

1. Found corruption by individuals in the organization, such as giving or receiving bribes to outsiders or agencies
2. Performing tasks that do not comply with the Company's procedures or regulations, this can result in fraud and damage to the organization

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:

1. Company website www.pioneermotor.th.com
2. Email: Audit Committee jirayong@jaycapital.co.th
Company info@pioneermotor.th.com
3. By post or send it directly to
78, 78/4, 78/5 Moo3 Dontoom-Nakornchaisri Rd., Donfaek, Nakornchaisri Nakorn Phathom 73120.
4. Phone: 034 265 111 – 8
5. Fax: 034 265119, 034 389222
6. Whistleblowing box (Located at the finger scan point opposite the raw material store department)

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.

Protection Measures for Complainants/Whistleblowers

- Persons who report complaints Those who provide useful clues Including those who reject corruption will be properly protected and protected, for example, there will be no change or transfer of job position, job description, workplace, suspension, termination of employment, or giving negative effects to the complainant. Even if that action will cause the company to lose business opportunities.
- The complainant can choose to remain anonymous. If you see that the complaint will cause insecurity. or damage to life and property
- The company will keep the information of the complainant and related persons confidential. Do not disclose information, to unrelated people and taking into account the safety of the complainant Unless there is a threat of disclosure in the process of doing so. or as required by law If intentionally violates and discloses information, the Company will take disciplinary action and/or take legal action against the violator, depending on the case.

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 2022, 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 and submitted a self-assessment form to develop an anti-corruption system. and reference documents according to the assessment form for certification from CAC in September 2022.

As of December 31, 2022, the company has been certified as a member of the Coalition against Corruption of the Thai Private Sector (CAC) to emphasize the company's position. in running the business to grow sustainably

The image shows a CAC Self-Assessment Form and a Certificate of Membership. The form is titled "CAC Self-Assessment Form" and includes sections for company information, assessment results, and a declaration of commitment. The certificate of membership is issued by the CAC Secretariat, dated 22 September 2022.

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	2021				2022				
	Board of Directors	Audit Committee Director	Nomination and Remuneration Committee	Corporate Governance Sustainability Committee	Board of Directors	Audit Committee Director	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance Sustainability Committee
1. Miss Jirayong Anuman-rajadhon	6/6	4/4	1/1	-	6/6	4/4	1/1	2/2	-
2. Mrs. Pennapha Dhanasarnsilp	6/6	4/4	1/1	-	6/6	4/4	1/1	-	-
3. Police general. Sakda TechaKriengkrai	6/6	4/4	-	1/1	6/6	4/4	-	-	-

Source: Information from the Company as of December 31, 2022

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.
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 & Sustainability Committee

List of Corporate Governance & Sustainability Committee as of December 31, 2022 consisted of 3 persons as follows: Including 1 independent director and 2 executive directors. The independent director acts as the chairman of this committee. Corporate Governance & Sustainability Committee Has a role and responsibility in setting good corporate governance policy. and policy framework for social responsibility activities and the environment, focusing on the impact on shareholders and stakeholders for sustainable development and growth of the organization by the function of The Corporate Governance & Sustainability Committee as follows:

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

Remark: Details of executives appear in the attachment.

Scope of powers and duties of the Corporate Governance & Sustainability 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 & Sustainability 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 & Sustainability 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 Ithirojanakul to act as the secretary of the Corporate Governance & Sustainability Committee. To ensure that the Corporate Governance & Sustainability 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 & Sustainability Committee Including a report on the practice that does not comply with the business ethics policy, which in the past 2022, 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. The risk management working group consists of

- Production working group
- Quality Control Working Group
- Engineering working group
- Personnel working group
- Accounting and Finance working group
- Sales team working group
- Purchasing Working Group
- IT working group

Scope of duties and responsibilities of the risk management working group

- 1) Consider or reflect on the nature of the risks that the Company is currently experiencing. or expected to suffer
- 2) Evaluate risks by analyzing the impact of such risks on the Company and the likelihood of such risks occurring.
- 3) Determine measures to reduce risks to an appropriate level.
- 4) Prepare a risk management manual. and risk management plan
- 5) Propose risk management measures/plans to the Executive Committee for approval.
- 6) Arranging activities for the implementation of the risk management plan, including informing / giving advice to various departments, acknowledging and complying with the risk management measures set forth in the same direction for the entire organization.
- 7) Set up measures to monitor events that cause risk factors. Including measures to reduce risks regularly.
- 8) Consider and analyze all risks of the company. And prepare a report for the Executive Committee to report to the Board of Directors.
- 9) Report risks to internal auditors. and the Audit Committee every quarter
- 10) Ensure continuous effective risk communication.

Risk	Risk level			Risk management plan
	acceptable	Q.1-Q.3 Y2022	Q.4	
Strategic Risk : S				
1. Risk from economic volatility that affects domestic sales and profit targets of the company	M	H	M	Increase domestic market share by increasing sales from existing customers. and expand the market to new customers product cost control (For domestic sales) to be able to maintain the gross profit margin at 18-20% and the net profit margin at not less than 5%.
2. Risk from technology change from AC Motor It's a DC Motor.	L	L	L	For the BLDC production line, 100% of its capacity is running, making it 15-20% more than the target set in 2022. low wattage parts There is a policy to buy and sell.
Operational Risk : O				
<u>Sales</u>	L	L	L	Raw material costs in 2022 from Q1-Q3 +/- no more than 2%. Costs in Q4 are similar to Q1 and therefore have no impact on sales.
1.Risk from cost of raw materials, prices are adjusted every quarter cause higher costs and more competition from competitors				
2.Risk from accepting orders from customers in advance	M	M	M	Schedule orders in advance, no more than 1 quarter, making profits within the set value from non-jumping costs.
<u>Accounting and Finance Department</u>				
1. Control of loss from exchange rate not more than 1 million baht/year	L	L	L	1. For customers who know the exact payment schedule and pay in USD, the company has made a FORWARD CONTACT with Kasikorn Bank in advance. 2. For customers who do not know the payment date and pay in USD, the company will import into the FOREIGN CURRENCY SAVING DEPOSIT BOOK account to pay foreign creditors who agree to purchase raw materials in USD.
2. The risk of reserved the same currency for payment of goods on time and on time	L	L	L	1. Make a statement of cash inflows and outflows. 2. Estimate dividends. 3. There is a plan to use the money regularly. 4. Plan to buy the annual machinery. 5. Expense Budget Plan
3. Maintain financial ratios in accordance with loan agreements from financial institutions.	L	L	L	3. The company will transfer the remaining money to an open fund account with a higher interest rate than a normal savings account in order for the company to get more returns, borrow as needed and pay back as soon as possible.
4. Debt to Equity Ratio : not more than 1.50:1 and not less than	L	L	L	4. Still the same risk as the 3rd quarter (low chance)

Risk	Risk level			Risk management plan
	acceptable	Q.1-Q.3 Y2022	Q.4	
<u>Engineering</u>				
1. Delivering more than 95 percent of sample motors	M	M	M	1. Stock up on potential parts for your designs in advance. 2. Follow up on parts from manufacturing and outside before scheduled appointments. 3. Follow up on the electrical and structural design before the scheduled appointment. 4. Let the sales department know when samples may not be completed on time.
2. Errors in preparing documents submitted to the system no more than 1 time.	L	L	L	1. Preparation of motor and parts drawings and raw material list
<u>HR</u>				
1. Late recruitment	L	L	L	1. Together with the employment office, job posting on the company's website, looking for personnel from the job website.
2. Employees come in and out often.	L	L	L	2. There are welfare for employees to motivate their progress in work.
3. Development to increase skills and knowledge - Employees attending the training have job duties that are inconsistent with the curriculum.	L	L	L	3. Coordinate with related departments for organizing staff to attend meetings in accordance with the curriculum.
4. Health - the emergence of various epidemics	L	L	L	4. Pre-employment health checks, annual health checks, cook health checks, organize public relations boards to educate, when employees have an illness, there is a factory nurse who examines the preliminary symptoms.
<u>Purchasing</u>				
1.Purchase orders (PO,PR) on time delivery 95%	L	L	L	1. Follow up after sending the purchase order to the seller. notify the delivery deadline, the purchasing department informs the delivery deadline to the relevant department
2. Volatility of raw material prices	L	L	L	2. The price changes according to the world market. If the next month's price increases, it will be called Goods are imported from open purchase orders and the supplier is ready to ship.
3. Products ordered The seller does not deliver as scheduled in the purchase order. due to abnormal situations such as epidemics, floods	L	L	L	3. Follow up after sending the order Let the seller notify the delivery date. Talk to the seller. Closely, inform the purchaser in case the product is not delivered on schedule When the delivery date has been received and notified the buyer to acknowledge.

Risk	Risk level			Risk management plan
	acceptable	Q.1-Q.3 Y2022	Q.4	
<u>Quality Control Department</u>				
1.% of inspected workpieces mixed during production must be less than 0.3%.	L	L	L	1. Sort out the parts that can be used. And not separated by QA staff or parts manufacturers. 2. If it is an urgent case that parts are needed, they must be delivered to the relevant agencies to modify only the number used. 3. In the case of a large number of compounding or cannot be used, inform the purchasing department or the QA department to contact the manufacturer to select 4. Send the parts back to the manufacturer. Ready to issue DMA documents in case there is an impact on the production process. 5. Trace back the parts that are still in the raw material store whether there are any other symptoms that are mixed or not. If it is found that it still exists, it must be returned to the manufacturer for separation.
2. The control of customer complaints must be less than 0.8%.	L	L	L	1. Do a preliminary analysis before issuing a CAR to the relevant parties whether it is caused by the customer or caused by the production process. ready to be recorded in the CAR Log 2. Let the parties involved in the CAR take action to find the cause of the problem. Cause of escape Ongoing Remedies and Prevention Methods Time to eliminate the problem so that it doesn't happen again 3. Proceed to send documents back according to the time specified by the customer. 4. Summarize the CAR that customers complained about (customers requested only) each month. to improve the process/procedure that caused the complaint to occur
<u>IT department</u>				
1. The Internet signal is not stable.	L	L	L	1. Switch Fiber OPTIC cable between CAT Telecom and 3BB.
2. Threats on Cyber Internet, Flash Drive, e-mail	L	L	L	2. Monitor system, use Fire Wall, antivirus program, block Flash Drive usage. If Flash Drive is used, it will request the system to open. From time to time, when finished, it will be disabled as usual. Monitoring can see the user's work, thus

Risk	Risk level			Risk management plan
	acceptable	Q.1-Q.3 Y2022	Q.4	
				reducing the risk.
<u>Production department</u>				1. Change parts and maintain the machine and have a machine maintenance plan.
1. Broken machinery that causes the production line to stop	L	L	L	systematically Currently, there are 2 varnish baths added.
2. Can't work according to the plan.	M	H	H	2. Meeting to rearrange the plan according to the actual work to reduce the number of times to change the plan.
3. Quality related to production	L	L	L	3.Training to increase skills and knowledge for employees, making records, specifying WI
4. There is a power outage.	L	L	L	4. Notify the Provincial Electricity Authority to inspect. and notify the annual inspection
5. Accident	L	L	L	5. Install protective equipment and sign signs for employees to acknowledge.
<u>Risk from fraud and corruption that may arise from business operations</u>	L	L	L	1. Check the complaints both inside and outside the company, such as comment box, email, website. At present, no complaints have been found.

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 2022, 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.

Guidelines on non-infringement of intellectual property

The Company respects and complies with intellectual property laws. and there is a ban that infringe all types of intellectual property with the following guidelines:

1. All employees have a duty to protect and maintain the confidentiality of the Company's intellectual property to prevent such information from leaking. and must not use various types of intellectual property of the company for personal benefit or for other people without permission

2. All employees must respect and honor the intellectual property of others. and do not use the intellectual property works of others or part of the work to use without permission from the owner of the work
3. All employees have a duty to protect trade secrets, including business information. and all technical information of the company which employees must protect confidential information of the company or business partners of the company By the obligation to protect this information. It will continue until when that employee has left the company. Unauthorized disclosure of information causing damage be legally liable
4. All employees do not solicit, obtain or use business information. which is acquired through unlawful or immoral means

9.2 Related transactions

Related Parties which may or may not have transactions with the Company in fiscal year 2020 as of December 31, 2021 to the year 2022 as of December 31, 2022 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 9.348% 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 9.350% of registered capital	- Director - Assistant Managing Director in Corporate Support
3. Mr.Papat Itthirojanakul	- Nephew of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 9.348% of registered capital	- Director - Production Manager
4. Miss Prangwadee Itthirojanakul	- Spouse of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 9.734% of registered capital	- none -
5. Miss Chidchanok Itthirojanakul	- Spouse of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 9.436% of registered capital	- none -
6. Mr. Wasupol Itthirojanakul	- Spouse of Mr. Wasun Itthirojanakul (Managing Director)	- Major shareholder 8.432% of registered capital	- none -
7. Mrs. Podjamarn Wongsuwan	- Sister of Mr. Wasun Itthirojanakul (Managing Director)	- Shareholder 0.576% 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 0.556% 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 (Managing Director)	- None -	- Deputy Managing Director in Logistics

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.

In 2022, there was no connected transaction agenda that required approval from the Annual General Meeting of Shareholders.

PIONEER MOTOR PUBLIC COMPANY LIMITED AND SUBSIDIARIES

Financial Statements and Independent Auditor's Report

For the year ended 31 December 2022

Independent Auditor's Report

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

Opinion

I have audited the financial statements of **Pioneer Motor Public Company Limited** ("the Company"), which comprise the statement of financial position as at 31 December 2022, and the statements of comprehensive income and changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Pioneer Motor Public Company Limited** as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matter

Key audit matter is the matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was 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 this matter.

Sumanta

Key audit matter and how audit procedures respond 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.

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.

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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Sumanta

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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on 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 Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 Company 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.

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.

Sumanta

AST MASTER

บริษัท เอเอสที มาสเตอร์ จำกัด

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.

Sumanta k.

SUNANTA KUMSUK
Certified Public Accountant
Registration No. 8207

AST Master Co., Ltd.
24 February 2023

PIONEER MOTOR PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

<u>Assets</u>	<u>Notes</u>	<u>In Baht</u>	
		<u>2022</u>	<u>2021</u>
Current assets			
Cash and cash equivalents	6	82,148,870	25,051,727
Trade accounts receivable	7	153,270,521	187,780,766
Other receivables	8	13,728,401	30,451,590
Inventories	9	415,918,958	314,494,083
Other current financial assets	10	-	38,637,439
Total current assets		<u>665,066,750</u>	<u>596,415,605</u>
Non - current assets			
Fixed deposits pledged as collateral	11	1,316,875	1,314,947
Property, plant and equipment	12	439,413,715	413,162,446
Computer software	13	4,180,813	4,643,804
Advance for purchase of equipment		<u>2,635,680</u>	<u>2,425,584</u>
Total non - current assets		<u>447,547,083</u>	<u>421,546,781</u>
Total assets		<u><u>1,112,613,833</u></u>	<u><u>1,017,962,386</u></u>

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

PIONEER MOTOR PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022

<u>Liabilities and shareholders' equity</u>	<u>Notes</u>	<u>In Baht</u>	
		<u>2022</u>	<u>2021</u>
Current liabilities			
Trade accounts payable		209,425,834	252,403,800
Other payables	15	20,106,558	27,551,225
Current portion of liabilities under lease agreements	16	495,677	801,198
Accrued income tax		2,934,955	12,293,782
Provision	17	870,401	735,721
Other current liabilities		54,814	39,206
Total current liabilities		233,888,239	293,824,932
Non - current liabilities			
Liabilities under lease agreements	16	218,932	714,609
Deferred tax liabilities	23	15,586,645	16,405,617
Employee benefit obligations	18	31,031,825	30,519,759
Total non - current liabilities		46,837,402	47,639,985
Total liabilities		280,725,641	341,464,917
Shareholders' equity			
Share capital	19		
Registered			
852,598,707 ordinary shares of Baht 0.25 each		213,149,677	213,149,677
Issued and paid-up			
667,922,249 ordinary shares of Baht 0.25 each			
(2021 : 616,465,661 ordinary shares of Baht 0.25 each)		166,980,562	154,116,415
Premium on share capital		284,763,907	207,579,025
Retained earnings			
Appropriated for legal reserve	20	21,314,967	21,314,967
Unappropriated		264,592,437	199,250,743
Revaluation surplus on assets	12	94,236,319	94,236,319
Total shareholders' equity		831,888,192	676,497,469
Total liabilities and shareholders' equity		1,112,613,833	1,017,962,386

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 2022

		In Baht		
		Financial statement	Consolidated financial statements	Separate financial statements
	Notes	2022	2021	2021
Sales	27	1,195,496,164	990,912,807	990,912,807
Costs of sales		(1,008,745,018)	(803,960,401)	(803,960,401)
Gross profit		186,751,146	186,952,406	186,952,406
Other incomes	21	45,841,255	39,671,308	39,588,076
Profit before expenses		232,592,401	226,623,714	226,540,482
Selling expenses		(51,982,370)	(45,973,174)	(45,973,174)
Administrative expenses		(59,807,277)	(55,792,370)	(56,127,413)
Total expenses		(111,789,647)	(101,765,544)	(102,100,587)
Profit from operating activities		120,802,754	124,858,170	124,439,895
Finance costs		(61,255)	(139,709)	(139,709)
Net loss from dissolution of subsidiary	22	-	-	(24,002)
Profit before tax expenses		120,741,499	124,718,461	124,276,184
Tax expenses	23	(15,467,216)	(22,625,321)	(22,625,321)
Profit for the year		105,274,283	102,093,140	101,650,863
Other comprehensive income				
Other comprehensive income not to be reclassified to profit or loss in subsequent year				
Revaluation surplus on assets	12	-	117,795,399	117,795,399
<u>Less : Income tax effect</u>	23	-	(23,559,080)	(23,559,080)
Net		-	94,236,319	94,236,319
Actuarial gain	18	2,460,403	853,144	853,144
<u>Less : Income tax effect</u>	23	(492,081)	(170,629)	(170,629)
Net		1,968,322	682,515	682,515
Other comprehensive income for the year		1,968,322	94,918,834	94,918,834
Total comprehensive income for the year		107,242,605	197,011,974	196,569,697
Earnings per share				
Basic earnings per share				
Profit for the year	24	0.163	0.166	0.165
Diluted earnings per share				
Profit for the year		0.149	0.144	0.143

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

PIONEER MOTOR PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

In Baht						
Financial statements						
Note	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 2022	154,116,415	207,579,025	21,314,967	199,250,743	94,236,319	676,497,469
Converted warrants to share capital	19 12,864,147	77,184,882	-	-	-	90,049,029
Dividend paid	19 -	-	-	(41,900,911)	-	(41,900,911)
Profit for the year	-	-	-	105,274,283	-	105,274,283
Other comprehensive income for the year	-	-	-	1,968,322	-	1,968,322
Total comprehensive income for the year	-	-	-	107,242,605	-	107,242,605
Balance as at 31 December 2022	166,980,562	284,763,907	21,314,967	264,592,437	94,236,319	831,888,192

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 2022

In Baht						
Consolidated financial statements						
Note	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 2021	154,116,415	207,579,025	15,600,000	134,245,978	-	511,541,418
Legal reserve	20	-	5,714,967	(5,714,967)	-	-
Dividend paid	19	-	-	(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

In Baht						
Separate financial statements						
Note	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 2021	154,116,415	207,579,025	15,600,000	134,688,255	-	511,983,695
Legal reserve	20	-	5,714,967	(5,714,967)	-	-
Dividend paid	19	-	-	(32,055,923)	-	(32,055,923)
Profit for the year	-	-	-	101,650,863	-	101,650,863
Other comprehensive income for the year	-	-	-	682,515	94,236,319	94,918,834
Total comprehensive income for the year	-	-	-	102,333,378	94,236,319	196,569,697
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.

PIONEER MOTOR PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	In Baht		
	Financial statement	Consolidated financial statements	Separate financial statements
	2022	2021	2021
Cash flows from operating activities			
Profit before tax expenses	120,741,499	124,718,461	124,276,184
Adjustments to reconcile profit to net cash provided by operating activities			
Reversal of allowance for expected credit loss			
for open-end Mutual Fund receivable	(102,895)	(101,981)	(101,981)
Allowance for expected credit loss for other receivables	619,849	-	-
Reversal of allowance for expected credit loss			
for loan to subsidiary	-	-	(1,059,397)
Loss from dissolution of subsidiary	-	-	1,083,399
Unrealized (gain) loss on exchange rate	1,336,611	(306,938)	(306,938)
(Gain) loss on sale of other current financial assets	14,039	(472,331)	(472,331)
Unrealized gain from changes in fair value			
of other current financial assets	-	(8,440)	(8,440)
Allowance for obsolescence of inventories (reversal)	(232,780)	742,142	742,142
Depreciation	32,272,407	28,250,474	28,607,677
Amortization of computer software	1,078,991	930,163	930,163
Gain on disposal of equipment	(107,583)	(161,909)	(161,909)
Employee benefit obligations	3,393,284	3,194,327	3,194,327
Increase in provision	801,961	666,660	666,660
Finance costs	61,255	139,709	139,709
Profit from operating activities before change in operational assets and liabilities	159,876,638	157,590,337	157,529,265
Decrease (increase) in operating assets			
Trade accounts receivable	32,804,828	(44,331,717)	(44,331,717)
Other receivables	16,206,235	(10,460,696)	(10,460,942)
Inventories	(101,192,095)	(152,855,948)	(152,855,948)
Increase (decrease) in operating liabilities			
Trade accounts payable	(42,609,160)	56,983,477	57,066,709
Other payables	(6,065,715)	15,513,144	15,521,144
Provision	(667,281)	(597,532)	(597,532)
Employee benefit obligations	(420,815)	(782,238)	(782,238)
Cash received from operations	57,932,635	21,058,827	21,088,741
Tax paid	(26,137,096)	(12,583,013)	(12,583,013)
Net cash provided by operating activities	31,795,539	8,475,814	8,505,728

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 2022

	In Baht		
	Financial statement	Consolidated financial statements	Separate financial statements
	2022	2021	2021
Cash flows from investing activities			
Proceeds from loan to subsidiary	-	-	1,059,397
Proceeds from disposal of other current financial assets	185,123,400	517,984,617	517,984,617
Cash paid for acquisition of other current financial assets	(146,500,000)	(415,144,616)	(415,144,616)
Cash paid for investment in subsidiary	-	-	(1,100,000)
Proceeds from dissolution of subsidiary	-	-	20,201
Increase in fixed deposits pledged as collateral	(1,928)	(2,561)	(2,561)
Proceeds from disposal of equipment	241,637	161,919	161,919
Cash paid for acquisition of plant and equipment	(60,036,682)	(98,385,659)	(98,385,659)
Cash paid for acquisition of computer software	(616,000)	(2,256,670)	(2,256,670)
Decrease (increase) in advance for purchase of equipment	(210,096)	1,314,034	1,314,034
Net cash provided by (used in) investing activities	(21,999,669)	3,671,064	3,650,662
Cash flows from financing activities			
Interest paid	(61,255)	(139,709)	(139,709)
Repayment of liabilities under lease agreements	(801,198)	(1,949,059)	(1,949,059)
Cash received from convert warrants to share capital	90,049,029	-	-
Cash paid for dividends	(41,885,303)	(32,043,484)	(32,043,484)
Net cash provided by (used in) financing activities	47,301,273	(34,132,252)	(34,132,252)
Net increase (decrease) in cash and cash equivalents	57,097,143	(21,985,374)	(21,975,862)
Cash and cash equivalents, beginning of year	25,051,727	47,037,101	47,027,589
Cash and cash equivalents, end of year	82,148,870	25,051,727	25,051,727
Supplement disclosures of cash flows information			
Non - cash transactions			
Decrease in payable from acquisition of plant and equipment	(1,378,952)	(4,111,549)	(4,111,549)
Increase in liabilities under lease agreements	-	444,860	444,860
Increase in accrued dividends	15,608	12,439	12,439

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

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 Itthirojanakul 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).

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 for the year ended 31 December 2021, 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 22). 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.

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. FINANCIAL REPORTING STANDARDS ISSUED BY THE FEDERATION OF ACCOUNTING PROFESSIONS

3.1 Financial reporting standards that became effective in the current year

During current year, the revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022 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. However, these standards does not have any significant impact on the Company's financial statements.

3.2 Financial reporting standard that will become effective for fiscal years beginning on or after 1 January 2023 onwards

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 2023 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards making financial reporting standards clearer and more appropriate and for some standards, providing temporary reliefs or temporary exemptions for users.

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

4. ACCOUNTING POLICIES

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

4.1 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 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.

4.2 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.

4.3 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.

4.4 Property, plant and equipment

Land is stated at revalued amount. 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 recognised 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 4.5) except for land that is presented in the statement of financial position at the original cost less accumulated depreciation.

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.

4.5 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.

4.6 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.

4.7 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.

4.8 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.

4.9 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.

4.10 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 4.15

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

4.12 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 personal, 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.

4.13 Financial instruments

The Company 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 Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

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

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

Financial assets at FVTPL

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

These financial assets include derivatives 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 Company'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 Company 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 Company has transferred substantially all the risks and rewards of the asset, or the Company 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 Company applies a simplified approach in calculating ECLs. Therefore, the Company 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.

4.14 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.

4.15 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.

4.16 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.

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.

5. TRANSACTIONS WITH RELATED PERSONS AND COMPANY

5.1 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 Note 22)</i>	
<u>Pricing policies for the subsidiary as follows:</u>	
	Pricing policy
Short-term loan to	No interest

5.2 Balances of transactions with subsidiary

The Company had significant balances with subsidiary as at 31 December 2021 are as follows:

	In Baht	
	Consolidated financial statements	Separate financial statements
	2021	2021
Short-term loan to		
Subsidiary		
Beginning of the year	-	1,059,397
Decreased during the year	-	(1,059,397)
Ending of the year	-	-

In July 2021, the Company has received the full amount of short-term loan from the subsidiary (Note 22). 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 22).

5.3 Expenses with related persons

Directors and management's benefits

The Company had employee benefit expenses of its directors and management for the years ended 31 December 2022 and 2021, as below.

	In Baht	
	Financial statements	Consolidated and Separate financial statements
	2022	2021
Short - term employee benefits	26,744,373	25,477,354
Post - employment benefits	1,158,233	938,945
Total	27,902,606	26,416,299

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

6. CASH AND CASH EQUIVALENTS

	In Baht	
	2022	2021
Cash	117,682	88,409
Current accounts	9,903,986	4,643,253
Saving accounts	72,127,202	20,320,065
Total	82,148,870	25,051,727

As at 31 December 2022, the interest rates of deposits at financial institutions were 0.25% to 0.35% per annum (2021: 0.05% to 0.125% per annum)

7. TRADE ACCOUNTS RECEIVABLE

Aging of trade accounts receivable as at 31 December 2022 and 2021 are as follows:

	In Baht	
	2022	2021
Within credit terms	130,126,145	162,953,707
Overdue:		
Less than 3 months	23,029,866	24,212,164
3 - 6 months	63,030	415,178
7 - 12 months	51,480	114,217
Over 12 months	-	85,500
Total	153,270,521	187,780,766

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 30-75 days of trade credit after the Company has the right to bill for the goods or services already transferred to customers (2021: international customers who receive approximately 30-60 days).

8. OTHER RECEIVABLES

	In Baht	
	2022	2021
Open-end Mutual Fund receivable	1,600,930	1,703,825
<u>Less</u> Allowance for expected credit loss - Open-end Mutual Fund receivable	(1,600,930)	(1,703,825)
Value added tax receivable	11,049,147	9,700,321
Advances for inventories	1,898,547	18,986,818
Prepaid expenses	427,766	633,100
Unbilled input tax	269,132	200,518
Tax credit certificate	83,809	930,833
Other receivables	619,849	-
<u>Less</u> Allowance for expected credit loss - other receivables	(619,849)	-
Total	13,728,401	30,451,590

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

9. INVENTORIES

	In Baht					
	At cost		Allowance for obsolescence of inventories		Inventories-net	
	2022	2021	2022	2021	2022	2021
Finished goods	82,299,851	63,342,078	(1,406,917)	(1,538,827)	80,892,934	61,803,251
Work in process	57,405,102	58,642,490	-	-	57,405,102	58,642,490
Raw material	283,178,558	199,706,848	(5,557,636)	(5,658,506)	277,620,922	194,048,342
Total	422,883,511	321,691,416	(6,964,553)	(7,197,333)	415,918,958	314,494,083

During the current year, the Company reversed the write-down of cost of inventories by Baht 0.2 million reduced the amount of inventories recognised as expenses during the year. (2021: 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).

10. OTHER CURRENT FINANCIAL ASSETS

	In Baht	
	2022	2021
Investments in unit trusts in debt securities open-ended fund (Fair value through profit or loss)	-	38,637,439

The movement in unit trusts can be analyzed as follows:

	In Baht	
	2022	2021
Beginning of year	38,637,439	140,996,669
Additions during the year	146,500,000	415,144,616
Disposal / repayment during the year	(185,137,439)	(517,512,286)
Unrealized gain from change in fair value of investments during the year	-	8,440
Ending of year	-	38,637,439

11. FIXED DEPOSITS PLEDGED AS COLLATERAL

As at 31 December 2022 and 2021, the Company has fixed deposits in the amount of Baht 1.3 million, bears interest at the rate of 0.15% - 0.40% per annum (2021: interest at the rate of 0.15% - 0.70% per annum). These deposits are pledged as collateral for bank guarantees from financial institutions for the payment of electricity as discussed in Note 29.2.

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

12. PROPERTY, PLANT AND EQUIPMENT

	In Baht											
	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	-	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

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	In Baht											
	Land & Improvement							Right-of-use assets			Assets under construction and installation	
	Cost	Appraised value	Total	Buildings & Improvement	Machineries & Equipment	Office fixture and equipment	Vehicles	Vehicles	Machinery	Total		Total
As at 1 January 2022												
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
Transactions during the year ended 31 December 2022												
Net book value, beginning 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
Acquisition assets	-	-	-	1,222,396	37,517,241	492,780	-	-	-	-	19,425,313	58,657,730
Transfer in (out)	-	-	-	7,638,597	24,747,467	167,084	-	-	(3,425,779)	(3,425,779)	(29,127,369)	-
Disposals	-	-	-	-	(125,529)	(8,525)	-	-	-	-	-	(134,054)
Depreciation	-	-	-	(7,283,317)	(22,600,330)	(863,901)	(993,942)	(452,697)	(78,220)	(530,917)	-	(32,272,407)
Net book value, end of year	62,007,618	117,795,399	179,803,017	98,889,793	153,177,352	2,063,090	1,699,486	1,939,996	-	1,939,996	1,840,981	439,413,715
As at 31 December 2022												
Cost	65,875,234	117,795,399	183,670,633	163,943,041	463,503,148	10,716,394	11,281,243	4,530,841	-	4,530,841	1,840,981	839,486,281
Less Accumulated depreciation	(3,867,616)	-	(3,867,616)	(65,053,248)	(310,325,796)	(8,653,304)	(9,581,757)	(2,590,845)	-	(2,590,845)	-	(400,072,566)
Net book amount	62,007,618	117,795,399	179,803,017	98,889,793	153,177,352	2,063,090	1,699,486	1,939,996	-	1,939,996	1,840,981	439,413,715

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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.

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. 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 2022 and 2021, as follows:

	In Baht
Revaluation surplus on assets	117,795,399
<u>Less</u> Deferred tax liabilities	<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. The Company has no policy to take the revaluation surplus on assets into consideration for dividend distribution.

As at 31 December 2022, the Company had machineries, equipment and vehicles acquired under finance lease agreements, with net book value amounting to approximately Baht 1.9 million (2021: Baht 5.9 million).

As at 31 December 2022, 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 248.6 million (2021: Baht 239.3 million).

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

13. COMPUTER SOFTWARE

The net book value of computer software as at 31 December 2022 and 2021 is presented below.

	In Baht	
	2022	2021
As at 1 January		
Cost	12,293,763	10,037,093
<u>Less</u> Accumulated amortization	<u>(7,649,959)</u>	<u>(6,719,796)</u>
Net book value	<u>4,643,804</u>	<u>3,317,297</u>
Transactions during the year ended 31 December		
Net book value, beginning of year	4,643,804	3,317,297
Acquisition of computer software	616,000	2,256,670
Amortization	<u>(1,078,991)</u>	<u>(930,163)</u>
Net book value, end of year	<u>4,180,813</u>	<u>4,643,804</u>
As at 31 December		
Cost	12,909,762	12,293,763
<u>Less</u> Accumulated amortization	<u>(8,728,949)</u>	<u>(7,649,959)</u>
Net book value	<u>4,180,813</u>	<u>4,643,804</u>

14. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at 31 December 2022, the Company has the facilities available with bank overdrafts and short-term loans from local banks in amount of Baht 200.0 million (2021: Baht 128.9 million). Including providing negative pledge of property, plant and equipment.

15. OTHER PAYABLES

	In Baht	
	2022	2021
Advance received from sales of goods	10,161,874	17,088,452
Payable from acquisition of assets	884,888	2,263,840
Accrued expense	6,020,248	5,171,464
Other taxes	<u>3,039,548</u>	<u>3,027,469</u>
Total	<u>20,106,558</u>	<u>27,551,225</u>

Advance received from sales of goods as at 31 December 2021 is recognized as revenue in 2022 in the amount of Baht 17.0 million and advance received from sales of goods as at 31 December 2022, the Management expects to be recognized as revenue in 2023 in the amount of Baht 10.1 million.

16. LIABILITIES UNDER LEASE AGREEMENTS

	In Baht			
	Minimum installments amount		The present value of minimum installments amount	
	2022	2021	2022	2021
Within 1 year	553,926	922,744	495,677	801,198
Over 1 to 5 years	239,802	793,728	218,932	714,609
Total	793,728	1,716,472	714,609	1,515,807
Less Deferred interest	(79,119)	(200,665)	-	-
Net	714,609	1,515,807	714,609	1,515,807

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 2022 and 2021 regarding the lease agreements recognised in profit or loss:

	In Baht	
	2022	2021
Depreciation of right-of-use assets	530,917	905,452
Interest expense from lease liabilities	61,180	139,709
Total	592,097	1,045,161

17. PROVISION

Provision is accrued product warranty can be analysed as follows:

	In Baht	
	2022	2021
Balance as at 1 January	735,721	666,593
Recognition during the year	1,185,427	986,052
Revert	(383,466)	(319,392)
Decrease during the year	(667,281)	(597,532)
Balance as at 31 December	870,401	735,721

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

18. EMPLOYEE BENEFIT OBLIGATIONS

Movement in the present value of the defined benefit obligations:

	In Baht	
	2022	2021
Defined benefit obligations at 1 January	30,519,759	28,960,814
Included in profit or loss:		
Current service cost	2,882,595	2,858,206
Interest cost	510,689	336,121
Included in other comprehensive income:		
Remeasurements of post-employment benefit obligations		
Actuarial losses (gain) arising from		
Financial assumptions changes	(2,031,897)	(1,919,092)
Demographic assumptions changes	-	709,377
Experience adjustments	(428,506)	356,571
Total	(2,460,403)	(853,144)
Benefits paid during the years	(420,815)	(782,238)
Defined benefit obligations at 31 December	31,031,825	30,519,759

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	In Baht	
	2022	2021
Costs of sales	1,438,856	1,445,927
Selling expenses	573,475	603,904
Administrative expenses	1,380,953	1,144,496
Total expenses recognised in profit or loss	3,393,284	3,194,327

The Company expected to pay Baht 1.3 million of long-term employee benefits during the next year. (2021 : Baht 0.4 million)

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefits is 11.7 years. (2021 : 12.4 years)

Principal actuarial assumptions at the reporting date

For the years ended 31 December 2022 and 2021:

	2022	2021
Discount rate	2.34% per annum	1.67% 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 - 15%
Mortality rate	According to Thailand TMO 2017 male and female tables	According to Thailand TMO 2017 male and female tables

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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			
	2022		2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(1,266,905)	1,360,236	(1,334,669)	1,438,858
Salary Increase Rate (0.50% movement)	1,268,066	(1,193,769)	1,342,301	(1,259,479)
Turnover Rate (10% movement)	(937,603)	998,355	(999,164)	1,068,468

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.

19. SHARE CAPITAL AND DIVIDENDS PAID

SHARE CAPITAL

	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
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 1 January 2022	852,598,707	213,149,677	616,465,661	154,116,415	207,579,025
Converted warrants to share capital	-	-	51,456,588	12,864,147	77,184,882
As at 31 December 2022	<u>852,598,707</u>	<u>213,149,677</u>	<u>667,922,249</u>	<u>166,980,562</u>	<u>284,763,907</u>

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

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

The movement of allocated warrant for the year ended 31 December 2022 and 2021 was as follow:

	Unit : 1 Warrant	
	2022	2021
Number of warrants at the beginning of the year	176,131,436	-
Number of warrants during the year	-	176,131,436
Warrants exercised during the year	(51,456,588)	-
Outstanding warrant at the end of the year	<u>124,674,848</u>	<u>176,131,436</u>

DIVIDENDS PAID

		In Baht	
	Approved by	Dividend paid	Dividend per share
Dividend for the period from the operating results 1 July 2021 to 31 December 2021	Annual General Meeting of the shareholders on 26 April 2022	28,547,816	0.045
Interim dividend for the period from the operating results 1 January 2022 to 30 June 2022	Board of Directors' Meeting dated 9 August 2022	<u>13,353,095</u>	0.020
Total payment of dividends for the year 2022		<u>41,900,911</u>	
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
Interim dividend for the period from the operating results 1 January 2021 to 30 June 2021	Board of Directors' Meeting dated 10 August 2021	<u>11,096,091</u>	0.018
Total payment of dividends for the year 2021		<u>32,055,923</u>	

20. 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 Bath 5.7 million, the statutory reserve has fully been set aside.

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

21. OTHER INCOME

Other income for the years ended 31 December 2022 and 2021 are as follows:

	In Baht		
	Financial statements	Consolidated financial statements	Separate financial statements
	2022	2021	2021
Revenue from scrap sales	28,148,104	23,865,732	23,865,732
Gain on foreign exchange rate	13,241,088	10,520,877	10,520,877
Tax credit certificate income	3,125,059	3,015,343	3,015,343
Gain(loss) on sale of other current financial assets	(14,039)	472,331	472,331
Other income	1,341,043	1,797,025	1,713,793
Total	45,841,255	39,671,308	39,588,076

22. INVESTMENT IN SUBSIDIARY / NET PROFIT FROM DISSOLUTION OF SUBSIDIARY

	In Baht Separate financial statements
INVESTMENT IN SUBSIDIARY	
Transactions during the year ended 31 December 2021	
Net book value, as at 1 January 2021	3,600
Increase in investment	1,100,000
Liquidation	(1,103,600)
Net book value, as at 31 December 2021	-

Net loss from dissolution of subsidiary for the year ended 31 December 2021 are as follows:

	In Baht	
	Consolidated financial statements	Separate financial statements
	2021	2021
Reversal allowance for expected credit loss		
- Loan to subsidiary (Note 5.2)	-	1,059,397
Loss from dissolution of subsidiary	-	(1,083,399)
Net	-	(24,002)

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 5.2. 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.

For the year ended 31 December 2021, the subsidiary did not have an operations and the results of operations are insignificant.

23. INCOME TAX

Income tax expenses for the years ended 31 December 2022 and 2021 are as follows:

	In Baht	
	financial statements	Consolidated and Separate financial statements
	2022	2021
Current income		
Corporate income tax charge for the year	16,778,269	23,369,303
Deferred tax		
Relating to origination and reversal of temporary differences	(1,311,053)	(743,982)
Tax expense presented in profit or loss	<u>15,467,216</u>	<u>22,625,321</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	-	23,559,080
Deferred tax on actuarial gain (loss)	<u>492,081</u>	<u>170,629</u>

The reconciliation between accounting profit and income tax are as follows:

	In Baht		
	financial statements	Consolidated financial statements	Separate financial statements
	2022	2021	2021
Accounting profit before corporate income tax	120,741,499	124,718,461	124,276,184
Applicable tax rate	20%	20%	20%
Accounting profit before corporate income tax multiplied by applicable tax rate	24,148,300	24,943,692	24,855,237
Effects of:			
Addition expenses deductible for tax purposes	(287,759)	(578,438)	(578,438)
Expenses not deductible for tax purposes	983,883	443,014	443,014
Promotional privileges	(8,066,155)	(1,350,510)	(1,350,510)
Other	-	(88,455)	-
Current income	<u>16,778,269</u>	<u>23,369,303</u>	<u>23,369,303</u>
Relating to origination and reversal of temporary differences	<u>(1,311,053)</u>	<u>(743,982)</u>	<u>(743,982)</u>
Income tax expense reported in the statement of comprehensive income	<u>15,467,216</u>	<u>22,625,321</u>	<u>22,625,321</u>

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

The components of deferred income tax assets and deferred income tax liabilities are as follows:

	In Baht	
	2022	2021
Deferred tax assets		
Allowance for doubtful accounts - other receivables	444,156	340,765
Allowance for obsolescence of inventories	1,392,911	1,439,467
Employee benefit obligations	6,206,365	6,103,952
Provisions	174,080	147,144
Total deferred tax assets	8,217,512	8,031,328
Deferred tax liabilities		
Revaluation surplus on land	23,559,080	23,559,080
Finance lease	245,077	876,177
Unrealized gain from changing value on other financial assets	-	1,688
Total deferred tax liabilities	23,804,157	24,436,945
Deferred tax liabilities - Net	15,586,645	16,405,617

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

24. 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.

	For the year ended 31 December								
	Profit for the year (In Baht)			Weighted average number of ordinary shares (Shares)			Earnings per share (In Baht)		
	Financial statements	Consolidated financial statements	Separate financial statements	Financial statements	Consolidated financial statements	Separate financial statements	Financial statements	Consolidated financial statements	Separate financial statements
	2022	2021	2021	2022	2021	2021	2022	2021	2021
Basic earnings per share									
Profit attributable to equity holders of the Company	105,274,283	102,093,140	101,650,863	646,217,327	616,465,661	616,465,661	0.163	0.166	0.165
Effect of dilutive potential ordinary shares									
Warrants				61,172,013	92,932,014	92,932,014			
Diluted earnings per share									
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	105,274,283	102,093,140	101,650,863	707,389,340	709,397,675	709,397,675	0.149	0.144	0.143

25. EXPENSES BY NATURE

Significant expenses by nature for the years ended 31 December 2022 and 2021 are as follows:

	In Baht		
	financial statements	Consolidated financial statements	Separate financial statements
	2022	2021	2021
Changes in finished goods and work in process	(17,720,385)	(62,059,722)	(62,059,722)
Raw materials and consumable used	857,925,605	712,469,951	712,469,951
Employees costs and managements' remuneration	162,829,520	154,967,612	154,967,612
Depreciation and amortization	33,351,398	29,180,637	29,537,840

26. 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 2022, the Company's contribution to the provident fund recorded amounting of Baht 1.4 million (2021: Baht 1.4 million).

27. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The 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

For the years ended 31 December 2022 and 2021, the Company has revenue from sales classified by product groups as follows:

	In Baht	
	Financial statements	Consolidated and Separate financial statements
	2022	2021
Air conditioner electric motors	346,035,125	270,300,723
Induction motors	88,511,022	90,659,250
Pumps, dewatering, centrifugal pump, motors for pools and spas and motor home pumps	750,678,796	622,526,175
Other sales income	10,271,221	7,426,659
Total revenue	1,195,496,164	990,912,807

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 2022, domestic revenue was 46% and export revenue 54% (2021: domestic revenue was 47% and export revenue 53%) of total revenues.

Major customers

In 2022, the Company has major customer with revenue of 10 percent or more of revenues one major customers, represented at 26% of total revenues. (2021: the Company has revenue from two major customers, represented at 41% of total revenues).

28. 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 totalling 4 certificates, subjected to certain imposed conditions, the privileges included among the others as follows :

- (a) A 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 27.75 million from the date of income after receiving the promotional certificate (4 September 2019). In 2019-2022, the company has already used tax privilege in the amount of Baht 18.94 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 3.87 million from the date of income after receiving the promotional certificate (2 September 2021). In 2021-2022, the Company has already used tax privilege in the amount of Baht 3.87 million, which is up to the amount of tax according to the right that the Company has invested.
- (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 15.83 million from the date of income after receiving the promotional certificate (2 September 2021). In 2022, the Company has already used tax privilege in the amount of Baht 2.71 Million.
- (e) According to the promotion certificate No. 65-0350-1-00-1-0 an exemption from corporate income tax on the net profit derived from the promoted business being 100% of the investment in manufacturing motors for electric motorcycles category 4.8.3.2 the business of manufacturing parts and equipment for electric vehicles, i.e. the manufacture of TRACTION MOTOR, excluding the cost of land and working capital is for 8 years, with the exempted corporate income tax not exceeding Baht 10.09 million from the date of income after receiving the promotional certificate (10 January 2022). In 2022, 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.

Sales classified as promoted and non-promoted business for the years ended 31 December 2022 and 2021 are summarised as follows:

	In Baht					
	Promoted business		Non-promoted business		Total	
	2022	2021	2022	2021	2022	2021
Sales	941,221,998	26,680,270	254,274,166	964,232,537	1,195,496,164	990,912,807
Other income	40,575,906	1,122,009	5,265,349	38,466,067	45,841,255	39,588,076
Total	<u>981,797,904</u>	<u>27,802,279</u>	<u>259,539,515</u>	<u>1,002,698,604</u>	<u>1,241,337,419</u>	<u>1,030,500,883</u>

29. COMMITMENTS AND CONTINGENT LIABILITIES

29.1 Capital commitments

As at 31 December 2022, the Company had capital commitments of approximately Baht 2.8 million (2021 : Baht 5.7 million), relating to the equipment, building and computer software.

29.2 Guarantees

As at 31 December 2022, the Company has contingent liabilities from letters of guarantee issued by banks for the payment of electricity amounting to Baht 1.3 million (2021: Baht 1.3 million).

30. FAIR VALUE OF FINANCIAL INSTRUMENTS

As at 31 December 2022 and 2021, the Company had certain assets that were measured or disclosed at fair value on a recurring basis using different levels inputs as follows:

	In Million Baht							
	2022				2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Investments in								
Unit Trust	-	-	-	-	-	38.6	-	38.6
Land	-	179.8	-	179.8	-	179.8	-	179.8

The fair value of financial instruments is estimated on the following criteria.

The fair value of investments in unit trust has been determined by using the net asset value as published by the Asset Management. Investments in unit trust in debt securities open-ended fund are stated at fair value using inputs of Level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly.

During the current year, there was no transfer within the fair value hierarchy.

31. FINANCIAL INSTRUMENTS

31.1 Financial risk management policies

The Company 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 Company does not hold or issue derivatives for speculative or trading purposes.

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 2022 based on un discounted contractual cash flows to present value. It can be represented as follows:

	In Baht			
	Less than 1 year	1 to 5 years	> 5 years	Total
Financial liabilities				
Trade accounts payable	209,425,834	-	-	209,425,834
Other payables	20,106,558	-	-	20,106,558
Liabilities under lease agreements	553,926	239,802	-	793,728
Total financial liabilities	<u>230,086,318</u>	<u>239,802</u>	<u>-</u>	<u>230,326,120</u>

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			
	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	<u>280,877,769</u>	<u>793,728</u>	<u>-</u>	<u>281,671,497</u>

PIONEER MOTOR PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022 and 2021, the Company has no outstanding forward exchange contracts.

As at 31 December 2022 and 2021, assets and liabilities of the Company which are not hedged as follows:

	Currencies	2022		2021	
		Amount	Equivalent to approximately (In Million Baht)	Amount	Equivalent to approximately (In Million Baht)
Cash and cash equivalents	U.S. Dollars	194,171	6.7	77,851	2.6
Cash and cash equivalents	A.U.Dollars	31,315	0.7	-	-
Trade accounts receivable	U.S. Dollars	972,404	33.5	1,880,094	62.6
Trade accounts receivable	A.U.Dollars	671,819	15.4	149,302	3.5
Trade accounts receivable	Yen	2,229,000	0.6	-	-
Trade accounts payable	U.S. Dollars	251,116	8.7	399,458	13.4
Trade accounts payable	A.U.Dollars	-	-	3,200	0.1

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 2022. 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)	
		2022	2021
U.S. Dollars	+10	3.1	5.2
	- 10	(3.1)	(5.2)
A.U. Dollars	+10	1.6	0.3
	- 10	(1.6)	(0.3)
Yen	+10	0.1	-
	- 10	(0.1)	-

31.2 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.

32. CAPITAL MANAGEMENT

The primary objective of the Company 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 2022, debt to equity ratio in the financial statements is 0.34: 1 (2021: 0.50: 1).

33. EVENT AFTER THE REPORTING PERIOD

- 33.1 On 27 January 2023, the shareholders exercised their right to offering of warrants to purchase ordinary shares of the Company (PIMO-W2) 27,022,285 ordinary shares, which 1 ordinary share at an exercise price of Baht 1.75 in amount of Baht 47.3 million causing the paid-up capital from the original amount of Baht 166,980,562.25 (divided into 667,922,249 ordinary shares with a par value of Baht 0.25) to the paid-up capital of Baht 173,736,133.50 (divided into 694,944,534 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 7 February 2023.
- 33.2 On 24 February 2023, the Board of Directors meeting passed a resolution to propose to the Annual General Meeting of Shareholders that a dividend of Baht 0.062 per share, a total of Baht 42.54 million, is to be paid to the shareholders for the year 2022. The Company already paid an interim dividend of Baht 0.020 per share, a total of Baht 13.35 million. The dividend to be paid is Baht 0.042 per share, a total of Baht 29.19 million.

34. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 24 February 2023.

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	Name of organization/company	Business type
1.	Mr. Satian	71	- 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
	Poopraserit		- Certificate American Board of Internal Medicine				2015- Present	Chairman of the Board of Directors	- Pioneer Motor Plc.	- Manufacture, sale and export of motors
	- Chairman of the Board		- 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
	(Appointed on April 29, 2015)						2010 - 2014	Director	The Foundation of International Education (FTE).	- Educational institutions
	(Original Name - Surname) - none -		- 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
							2004 - 2006	Committee	Metropolitan Electricity Authority.	- State enterprises - electric power
			<u>Training history</u>				2003 - present	Chief Executive Officer	Praram 9 Hospital PCL.	- Hospital
			- Course Certificate_Directors Certification Program (DCP) Class 92/2006				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	Name of organization/company	Business type
							2002 -2006	Committee	Sports Authority of Thailand.	- State enterprises Ministry of Tourism& Sports
							2002 - 2006	Executive Committee	Relai (Thailand) Co., Ltd.	- Faucet manufacturing and distribution
							1992 - Present	Executive Committee / Board of Directors	Praram 9 Hospital PCL.	- Hospital
2.	Mss Jirayong Anuman-Rajadhon	55	- <u>Bachelor</u> of Business Administration (Finance), Faculty of Commerce and Accountancy Thammasat University	None	None	Listed Company 2 company	2019 - 2022	Director	AUA Language Center	- Educational institutions
	- Independent Director		- <u>Master</u> of Science (Finance), Faculty of Commerce and Accountancy Thammasat University			General company 2 company	2019 - present	Director	CPanel Public Company Limited	- Manufacture and sale of precast concrete walls
	- Chairman of the Audit Committee									
	- Chairman of the Risk Management Committee		- Postgraduate Diploma Business Administration (Fashion) London College of Fashion, University of the Arts London.				2016 - present	Director and Managing Director	Brand and Business Ventures Company Limited	Production and distribution of branded bags
	- Member of the Nomination and Remuneration Committee (Appointed on April 29, 2015)		<u>Training history</u> - <u>Course Certificate</u> Director Certification Program (DCP)				2015 - present	Independent Director / Chairman of the Audit Committee / Chairman	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	Name of organization/company	Business type
	(Original Name - Surname) - none -		Class 160/2012 - Advanced Insurance Science Program Class 9 Office of Insurance Commission (OIC)					of the Risk Management Committee / Member of the Nomination and Remuneration Committee		
							2015 - 2021	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	69	- <u>Bachelor's degree</u> Faculty of Economics, Chulalongkorn University	None	None	Listed Company 4 companies	2022- Present	Board of Directors	I.D.F. Company Limited	- fund advisor
	- Director		- <u>Master degree</u> Faculty of			General ompany 4 companies	2021- Present	Director and Chairman of the Audit Committee	Boutique Newcity Public Co., Ltd.	- Production and distribution of ready-to- wear women's clothing
	- Independent Director		Business Administration, Thammasat University				2020 - Present	Board of Directors	American Food Co., Ltd.	- Production of ice cream
	- Audit Committee		- <u>Ph.D.</u> Faculty of Business Administration				2019 - Present	Board of Directors	Gardenia Bakery Trading Co., Ltd	- General wholesales
	- Chairman of Nomination and Remuneration Committee									

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	Name of organization/company	Business type
	Mrs. Pennapha Dhanasamsilp (Continue)		<u>Training history</u> - <u>Course Certificate</u> Director Accreditation Program(DAP) Class 3/2003				2018 - present	Independent Director / Chairman of the Board of Directors / Chairman of the Nomination Committee Remuneration and Corporate Governance	Index Living Mall PCL.	- Distribute furniture
	(Appointed on April 29, 2015)		- <u>Course Certificate</u> DirectorsCertification Program (DCP) Class 68/2005							
	(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
							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
							2014 - 2023	Director	IV Global Securities Public Company Limited	- Investment advisor for individuals and

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	Name of organization/company	Business type
							2003 - 2021	Executive Director and Division Director	ICC International Plc.	institutions both in the country and abroad. -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	66	- <u>Bachelor's degree</u> Bachelor's degree in Public Administration (Police) Royal Police Cadet Academy	None	None	Listed Company 1 company	present		Retire from government service, on pension	- Government sector
	- Director - Independent Director - Audit Committee -Chairman of Corporate Governance & Sustainability		- <u>Master degree</u> Master's Degree in Education (Executive Educational institutions) Khon Kaen University			General company 0 company	2017 - 2018	Special Advisor	Royal Thai Police	- Government sector
	Police general. Sakda TechaKriengKrai (Continue)		<u>Training history</u> - <u>Course Certificate</u> Director Accreditation Program(DAP) Class 116/2015				2016 - 2017	Deputy Inspector General	Royal Thai Police	Government sector
	- Chairman of the Board corporate governance						2015 – present	Director / Independent Director / Audit Committee Director	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	Name of organization/company	Business type
	(Appointed on April 29, 2015)						2013 - 2016	Commander of the Royal	Police Cadet Academy	Government sector
	(Original Name - Surname) - none -						2010 - 2013	Deputy commander	Police Region 4	Government sector
							2008 - 2010	Provincial Police Commissioner	Ubon Ratchathani Province	Government sector
5.	Mr. Wasun Itthirojanakul	63	- Bachelor's degree degree in Business Administration (Marketing), Rajapark Institute	Mrs. Podjamarn Wongsuwan's brother (Person No. 8)	0.556	Listed Company 1 company	2015 – present	Director / Chief Executive Officer / Managing Director / Risk Management Committee / Nomination and Remuneration Committee	Pioneer Motor PCL	- Manufacture, sale and export of motors
	- Director		<u>Training history</u>			General company				
	- Chief Executive Officer		- <u>Course Certificate</u> Accreditation Program(DAP) Class 116/2015			2 companies				
	- Managing Director									
	- Risk Management Committee		- Advanced master of Management Class 3 National Institute of Development Administration.				2009 – present	Chief Executive Officer	T.C.Trading House Co., Ltd.	Business selling chemical pumps
	- Corporate Governance& Sustainability Committee									
	(Appointed on April 29, 2015)		- National Defense Course for the Joint State Private Sector Annual Educational institutions 2011-2012				1996 – present	Chairman of Executive Committee	Rely (Thailand) Co., Ltd.	Operation of faucet manufacturing and distribution business
	(Original Name - Surname) - none -		- Senior Management Course Capital Market Academy (CMA) Class 16							
			- Top Executive Program in							

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	Name of organization/company	Business type
6.	Mr.Christopher Robert Tape	75	Commerce and Trade, TEPCOT Class 12, University of the Thai Chamber of Commerce	None	0.288	Listed Company	2014 - present	Director / Executive	Pioneer Motor PCL	Manufacture, sale and export of motors
			Technology in Electrical Engineering <u>Training history</u> - <u>Bachelor's degree</u> Bachelor - <u>Course Certificate</u> Director Accreditation Program(DAP) Class 117/2015			1 company General company 0 company		Director / Deputy Managing Director /Risk Management Committee		
	- Director - Deputy Managing Director - Executive Director - Risk Management Committee (Appointed on April 29, 2015) (Original Name - Surname) - none –						1996–2001	Managing Director & President	Fasco Asia Pacific Co., Ltd	Operate business consulting business
							1990– 1996	Managing Director, Indonesia – President & Country Manager	ABB Co., Ltd.	Import, manufacture, export and sell transformer products
7.	Mrs. Nutcharat Itthirojanakul	70	- <u>High school or equivalent</u> <u>vocational certificate</u> . Saint John's School of Commerce	Sister-in-law of Mr. Wasun Itthirojanakul (Person no. 5)	None	Listed Company	2014 – present	Deputy Managing Director in Logistics	Pioneer Motor PCL	Manufacture, sale and export of motors
			<u>Training history</u> - <u>Course Certificate</u> Director Accreditation Program(DAP) Class 114/2015			1 company General company 0 company				
	- Executive - Deputy Managing Director in Logistics (Appointed on April 29, 2015) (Original Name - Surname)									

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	Name of organization/company	Business type
8.	Miss Nutcharat Assawariyachon Mrs. Podjamarn Wongsuwan - Director - Executive Director - Deputy Managing Director in Accounting and Finance (Appointed on April 29, 2015) Mrs. Podjamarn Wongsuwan (Continue) (Original Name - Surname) Miss Podjamarn Itthirojanakul	65	- Bachelor's Degree, 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 PROGRAM - <u>Course Certificate</u> CFO's Orientation Course for New IPOs - <u>Course certificate</u> In-depth analysis of financial statements for the year 2019 - <u>Course Certificate</u> Insights into financial analysis of the year 2019- Security Management Program for Advanced Class 11, Foundation for Management for Security	Sister of Mr. Wasun Itthirojanakul (Person No. 5)	0.576	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	Name of organization/company	Business type
			- 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	47	- <u>Bachelor degree</u> Bachelor of Commerce and Accountancy (English Program) Bachelor of Business Administration Program (Finance and Banking) Thammasat University - <u>Master degree</u> International Business Thunderbird University Arizona, USA	Niece of Mr. Wasun Itthirojanakul (Person No. 5)	9.348	Listed Company 1 company General company 0 company	2005– Present	Director / Executive Director / Assistant Managing Director in Marketing / Company secretary / Corporate Governance Committee	Pioneer Motor PCL	- Manufacture, sale and export of motors
	- Director - Executive Director - Assistant Managing Director in Marketing - Company secretary - Corporate Governance & Sustainability Committee (Appointed on April 29, 2015)		<u>Training history</u> - <u>Course Certificate</u> Director Accreditation Program(DAP) Class SEC/2015							

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	Name of organization/company	Business type
			- <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"							
10.	Miss Narerat Itthirojanakul	45	- <u>Bachelor degree</u> Bachelor of Marketing and E- CommerceDeakinUniversity (Melbourne, Australia) <u>Training history</u> - <u>Course Certificate</u> Director Accreditation Program(DAP) Class 114/2015 - Course activity "creating readiness Understand: Sustainability Assessment 2020 "	Niece of Mr. Wasun Itthirojanakul (Person No. 5)	9.350	Listed Company 1 company General company 0 company	2015 – present 2002 - 2015 2001-2002 2001	Executive director/ Assistant Managing Director in Corporate Support Procurement manager Office of Investment Project Analysis Officer Export Sales Administration	Pioneer Motor PCL Pioneer Motor PCL National Economic and Social Development Parliamentary Sector Fasco Motors (Thailand) Co., Ltd.	- Manufacture, sale and export of motors - Manufacture, sale and export of motors - Agencies under the office of the Prime Minister - Manufacture and sale of all types of electric 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	Name of organization/company	Business type
11.	Mr. Papat Itthirojanakul	32	- <u>Bachelor's degree</u> Bachelor of arts: Business and Management Studies, Management Development Institute of Singapore	Nephew of Mr. Wasun Itthirojanakul (Person No. 5)	9.348	Listed Company 1 company	2015 – present	Executive Director	Pioneer Motor PCL	-Manufacture, sale and export of motors
	- Executive Director - Production Manager		General company 0 company			2013 – present	Production Manager	Pioneer Motor PCL	-Manufacture, sale and export of motors	
	(Appointed on April 29, 2015)									
12.	Mrs. Panun Pongpanich	48	- <u>Bachelor's degree</u> Bachelor of Business Administration, Nakhon Pathom Rajabhat Institute	None	0.029	Listed Company 1 company	2002 - present	Accounting and Finance	Pioneer Motor PCL	Manufacture, sale and export of motors
	- Accounting and Finance (Original Name - Surname) Miss Panun Soisian		<u>Training history</u> - Course Certificate Summary TFRS for PAEs Need to Know and Changes in 2021 - <u>course certificate</u> Precautions for submitting 2022 financial statements and preparation for submitting 2023 financial statements - <u>course certificate</u> Cash Bodgeting for senior executives to plan and make decisions for executives			General company 0 company				

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 Certificate, Class 64/2015
 Ethical Leadership Program (ELP) Class 19/2020
 Ethics courses for directors that should not be missed

Skills and experience in performing duties: 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 PIMO
List	
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, /
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
 MD = Managing Director * = Deputy Managing Director ** = Assistant Managing Director
 M = Executive / = Director // = Independent director CFO = Chief Financial Officer

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 Audit Committee Meeting has resolved to appoint Acc-Plus Consultant Co., Ltd. ("Ac-Plus Co., Ltd."), an external organization. (Outsourcing) to perform the duties of the internal auditor of the company. Acc-Plus Consultant Co., Ltd. has assigned Ms. Wanna Meluengnon, Managing Director of Acc-Plus Consultant Co., Ltd. Is the main person responsible for performing duties as the head of the internal audit of the company.	53	- Master's degree in Business Administration, Chulalongkorn University, 1994	None	None	1994 – present	Managing director	Acc-Plus Consultant Co., Ltd
		- Certificate of Auditing, Thammasat University, 1991					
		- Bachelor's degree in Accounting, Chulalongkorn University, 1990					
		- Rajini School, year 1986					
		Training history :					
		- Training on Integrated Internal Audit (Integrated Audit) organized by the Federation of Accounting Professions.			2021 – Present	Independent Director and Chairman of the Audit Committee	Sky Tower Public Company Limited
					2018 – Present	director	Siam Biomass Supply Co., Ltd.
		- Managing the Internal Audit Function : Managing the Internal			Nov. 2022 – Present	director	Lamae Palm Oil Company Limited

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
		Audit Department Organized by the Association of Internal Auditors of Thailand - Fraud Risk & Control: Fraud risk and control organized by the Institute of Internal Auditors of Thailand. - Certificate of Risk Management Program for Corporate Leader (RCL5/2016) by Thai Institute of Directors (IOD) - Internal audit training on corruption investigation Organized by the Federation of Accounting Professions - Workshop COSO2013, the latest internal control framework, Class 3/56 organized by the Federation of Accounting Professions. - Workshop on risk assessment methods for internal audit planning, Class 3/55, organized by the Federation of Accounting Professions. - Workshop on evaluating the COSO-			2016 – August 2021	Audit Committee	Dimet (Siam) Public Company Limited

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

ERM internal control system of each work system (December 2011)

- Certificate of Audit Committee Program - ACP Class 42/2013 by Thai Institute of Directors Association (IOD)
- Certificate of Director Accreditation Program - DAP Class 99/2012 by Thai Institute of Directors Association (IOD)

Certified Public Accountant Registration Number 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, 2022

Property type	property	proprietary nature	obligation	net worth As of 31 Dec. 22	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			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	do not have	179.80	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 Subdistrict, Nakhon Chai Si District Nakhon Pathom Province, total area 4 rai 0 ngan 13 square wa	own			Location of production building (axis department)

Property type	property	proprietary nature	obligation	net worth As of 31 Dec. 22	property utilization
	- 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	98.89	Office / Factory / warehouse building
3. Machinery and factory equipment		own	do not have	153.18	for use in business
4. Office equipment		own	do not have	2.06	for use in business
5. Vehicles		own	do not have	3.64	for use in business
6. Assets under construction and installation		own	do not have	1.84	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, 2022, the Company has rights to use machinery and vehicles acquired under finance lease agreements. The net book value is approximately 1.9 million baht (Year 2021: amount 5.9 million baht). As of December 31, 2022, the Company has certain assets which have been fully depreciated but are still in use. The book value before deduction of accumulated depreciation is 248.6 million baht (year 2021: 239.3 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. Board of Directors Organize the shareholders' meeting as an annual general meeting once a year within 4 months from the end of the company's fiscal year. and may call an extraordinary general meeting of shareholders on a case by case basis. If there is an urgent need to propose a special agenda that affects the interests of shareholders. In 2022, the Company scheduled the Annual General Meeting of Shareholders on April 26, 2022 at 2:00 p.m. At the meeting room, 1st floor, Pioneer Motor Public Company Limited, No. 78, 78/4, 78/5 Moo 3, Don Tum-Nakhon Chai Si Road, Don Faek Sub-district, Nakhon Chai Si District Nakhon Pathom Province 73120

However, in selecting a meeting venue, in addition to taking into account the convenience of the shareholders' travel, the Company is also aware of the safety and health of the shareholders as a priority. Under the situation of the spread of the COVID-19 virus, the company has prepared a meeting room of suitable size. There is a distance and can accommodate the attendees sufficiently. As well as strictly following the policy and measures to prevent the spread of the COVID-19 virus.

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.

Policy on Treatment of Partners

The Company places importance on selecting business partners who have ethical business practices. Doing business that is close to or related to the company, has a reputation and experience technically proficient and have a strong financial position To help / exchange / develop the talents of personnel and technology together.

Guidelines

1. The company is committed to treating partners equally and equitably according to the contractual terms between them.
2. The company will provide accurate information. do not take advantage based on honesty sincere and fair
3. The company avoids accepting payment of any benefits in doing business with business partners dishonestly
4. In the event that the Company unable to comply with conditions Must notify partners in advance. to find solutions together

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.

Policy on Treatment of Creditors

The company should comply with contracts, agreements, obligations and contingent liabilities. including various conditions with strict creditors by adhering to conducting business with principles and discipline to build trust with creditors transparently and without concealment which may cause creditors to be damaged

Guidelines

1. In case the company is unable to comply with the conditions will notify creditors in advance to jointly consider ways to solve problems
2. The company will avoid accepting payment of any benefits In doing business with creditors dishonestly

3. The Company places importance on capital management to have a suitable structure to support the Company's business operations. and maintain confidence in creditors

The Company reports accurate, complete and timely debt obligations to creditors upon request.

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.

Policy on treatment of commercial competitors

The company is committed to and gives priority to free trade competition under the rules of good, transparent and fair competition without distorting information. or use any other means to attack competitors by having to operate a business that does not take advantage and avoid dishonest methods

Guidelines

1. The company conducts business under fair competition, transparency, not taking advantage.
2. The company will avoid dishonest methods. blackening making fake news or attacking competitors
3. The company will not make any agreements. with any competitor or person in a way that reduces or limits trade competition
4. The company will not disclose or neglect the secrets of the company. fall into the hands of competitors

In 2022, there was no lawsuit dispute between the Company and its competitors.

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.
- 7 The Company arranges for investor relations to communicate important information to investors. retail investors, shareholders and securities analysts. The Company places importance on disclosure of information that is accurate, complete, transparent and thorough, as well as presenting results and informing corporate information to institutional investors. retail investors, shareholders and securities analysts, as well as related parties by participating in the Opportunity Day activities of the Stock Exchange of Thailand regularly every quarter

There are also various activities. to disseminate and clarify information Including an opportunity for participants to ask questions transparently, with senior executives participating in the activity and clarifying about the investor relations event as follows

1. Participation in activities "Listed Companies Meet Investors" (Opportunity Day), organized by the Stock Exchange of Thailand, 4 times in which analysts and investors attended the hearing.
 - Monday February 28, 2022
 - Tuesday 17 May 2022
 - Thursday 11 August 2022
 - Monday 14 November 2022
2. News interviews with the media, 4 times
 - Saturday April 9, 2022, interview on FM106 News Family Radio
 - Wednesday, June 22, 2022, exclusive interview with InfoQuest news agency (IQ).
 - Saturday, July 2, 2022, interview on FM 106 Radio Family News
 - Tuesday October 4, 2022 Interview for TISCO Exclusive Talk
3. Visiting and providing information to analysts 6 times with updated content.
 - Tuesday February 8, 2022 : Asset Pro Management Co., Ltd. (APM)
 - Wednesday 18 May 2022 : Yuanta Securities (Thailand) Co., Ltd.
 - Wednesday 6 July 2022 : TISCO Securities Co., Ltd.
 - Wednesday 17 August 2022 : Pai Securities Public Company Limited
 - Wednesday, August 24, 2022: YUANTA SMID CAPS DAY event organized by Yuanta Securities (Thailand) Co., Ltd.
 - Friday 23 September 2022 : Talis Asset Management Co., Ltd.

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.

2.1 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.

2.2 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. And for the year 2022, the company has no more violations of business ethics.

2.3 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.

2.4 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.

2.5 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.

2.6 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.

3. 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

4. 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

Reporting of interest

The company has determined that the directors Executive Directors and Executives According to the definition of the Securities and Exchange Commission (SEC), interest must be reported. and conflicts of interest for oneself and those involved when starting the position or when there is a change of information. and review information annually in accordance with the rules and methods for reporting the interests of directors and executives of the Company by requiring that the directors executive director And executives submit reports of interest to the Company Secretary to compile and summarize reports to the Audit Committee and the Board of Directors. This will help the company, directors and executives to perform their duties in accordance with the laws and prevent conflicts of interest.

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:
- (a) 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.

3.10 To give opinions on the consideration of appointment, removal, and evaluation of the work of the officers of the internal audit unit.

3.11 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.

3.12 To have the power to hire consultants or outsiders in accordance with the Company's regulations to give opinions or give advice if necessary.

3.13 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.

3.14 Review and update the Audit Committee Charter.

3.15 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 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. 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.

In 2022, the Company has arranged for self-assessment of sub-committees as follows: Audit Committee Corporate Governance Committee Nomination and Remuneration Committee Risk Management Committee and Executive Committee To help sub-committees of the company. The work has been reviewed, problems and obstacles have been reviewed. during the past year To help the sub-committee work more efficiently, the sub-committee self-assessment form consists of

- The structure and qualifications of the committees are appropriate, making the work of the committees efficient. namely, the number of sub-committees is appropriate, knowledgeable, experienced, and suitable for the performance of

duties as independent directors in sub-committees with an appropriate number; the recruitment process for qualified persons to be sub-committees is transparent, fair, and not subject to under the influence of any person, etc.

- Sub-committee meetings were conducted to allow sub-committees to perform their duties in meetings efficiently. namely being informed of the schedule of the Board of Directors' meetings each year in advance, the number of meetings being appropriate Each meeting agenda has an appropriate duration. received the meeting documents in advance and had time to study the information The atmosphere in the meeting is conducive to expressing constructive opinions. Directors with conflicts of interest are not involved in decision-making on transactions, etc.

- Roles and responsibilities of various sub-committees has given importance Take time to review. and followed adequately, including

Audit Committee

- Review the Company's financial statements to ensure that they are accurate and reliable. review for the Company Comply with laws and regulations Review to have a good internal audit system. Consider connected transactions and transactions with conflicts of interest in accordance with the rules and provide opinions on appointment. Remove the head of the internal audit department. Consider, select, nominate, appoint, withdraw and propose auditor's remuneration. Procedures for the management to set up an appropriate process for receiving complaints, etc.

Corporate Governance & Sustainability Committee

- Propose good corporate governance practices to the Board of Directors. and make recommendations to the Board of Directors to supervise the Company Directors and Management to comply with good corporate governance principles, review such guidelines and compare the guidelines of other countries in order to develop guidelines to meet international standards. set policies and guidelines community social governance and environment Including following up to ensure that there are appropriate actions, laying out a framework and action in anti-corruption, etc.

Nomination and Remuneration Committee

- Determine the qualifications of directors to be recruited in accordance with the regulations and nature of the business. Consider and summarize names to present to the Board of Directors for appropriate consideration. Provide a succession plan for directors and executives to develop and develop a plan for continuous training and development of directors Consider the remuneration guidelines for directors and top executives, both monetary and non-monetary. Determine methods and criteria for determining fair remuneration, such as comparing the remuneration of businesses in the same industry, etc.

Nomination and Remuneration Committee and the Corporate Governance Committee assessed the Board of Directors. subcommittee and Chief Executive Officer (CEO) at least once a year and disclose the criteria, procedures and overall assessment results in the annual report, Form 56-1 One Report

Risk Management Committee

- Consider corporate risk management reports and key risk indicators. which has been reviewed by the Risk Management Committee by assessing the adequacy of enterprise risk management. To ensure that the risk management process of the organization has an adequate internal control system. and consistent with the recommendations of the Internal Audit Department From the performance of various related audits It also encourages

the Internal Audit Department to plan and review the audit plan in line with the changing risk factors. This is to develop a more effective risk management process.

Board of Directors

- Consider scrutinizing goals Strategic plans for business operations Including the company's budget and investment projects, monitoring the performance and progress of investment projects and reporting results, including problems or obstacles that arise and ways to improve them. Follow up on the results of the Company's risk management and management. Follow up on personnel development results Appointment and transfer of executives according to the manpower plan and determination of remuneration payment criteria and performance evaluation criteria of senior executives. Consider funding options when it is necessary to obtain financing for investment projects. Follow up on the use of funds management of capital and financial position of the Company, etc.

10 . Directors' remuneration senior management and personnel

10.1The 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.

Remuneration policy for the Managing Director

So that compensation management is fair Accurate without bias and consistent with different management styles in each business group. The Nomination and Remuneration Committee will assess the performance of the Managing Director. By considering the business performance of the company. Implementation of policies received from the Board of Directors together with the overall economic and social situation The Nomination and Remuneration Committee will use the information to determine the appropriate remuneration of Managing Director of Pioneer Motor to propose to the Board of Directors for approval.

Policy to limit the number of companies in the Board of Director of the Director of the company

1. A company director can hold a directorship in no more than 5 listed companies on the Stock Exchange of Thailand without exception.
2. The company director may serve as a director at other listed companies in the Stock Exchange of Thailand. But it must not be an obstacle to the performance of the Company's Chief Executive Officer. And that business must not be in the same type of business or in competition with the business of the Company. Must be approved by the Board of Directors before taking the position.

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 remuneration criteria for directors and top executives. to be appropriate by reviewing the appropriateness of the currently used criteria Comparison with compensation information of other companies in the same industry as the company. and determine appropriate criteria in order to produce results as expected to be fair And as a reward to the person who helped the company's work to be successful.

2. Review all forms of compensation. such as regular compensation Compensation based on performance and meeting allowance taking into account the practices used by the same industry Performance and size of the company's business and responsibility, knowledge, competence and experience of directors and high-ranking executives required by the Company.

3. Consider the performance evaluation criteria assigned by the Board of Directors.

4. Determine annual remuneration for company directors. According to the payment criteria have been considered. and presented to the Board of Directors for approval of the remuneration of the Company's directors. Director's portion to the Board of Directors for consideration

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 & Sustainability 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 & Sustainability 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 FY2022

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 2022, 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 2022 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 2022 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 2022 with total compensation not exceeding THB 1,150,000 baht (one million one hundred fifty thousand baht only)

The Audit Committee has evaluated its self-performance by assessing the overall picture of each committee for the year 2022 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

Report of the Risk Management Committee for the year 2022

Dear Shareholders

Pioneer Motor Public Company Limited and its subsidiaries

The Risk Management Committee of Pioneer Motor Public Company Limited and its subsidiary "PIMO" consists of 1 independent director who has knowledge, ability and experience. Qualified according to the requirements of the Stock Exchange of Thailand The Risk Management Committee is independent in performing its duties, consisting of:

- | | |
|-------------------------------|---|
| 1. Ms. Jirayong Anumanrajdhon | Chairman of the Risk Management Committee |
| 2. Mr Christopher Robert Tape | Director of the Risk Management Committee |
| 3. Mr. Wasan Itthirodjanakul | Director of the Risk Management Committee |

In the year 2022, the Risk Management Committee There were 2 meetings in total to review the risk management system. Passed the consideration of the internal control system that oversees various risks.

The Risk Management Committee performed its duties as assigned by the Board of Directors. To supervise Pioneer Motor Public Company Limited has effective risk management. and effectiveness in order for the Company's operations to achieve its business goals Reduce the impact from economic, social and environmental uncertainties. Including building confidence and credibility to shareholders and stakeholders

The fact that the company has a risk management system that can handle risks in many dimensions Based on the principles of good corporate governance according to the international risk management framework, the Enterprise Risk Management Committee is responsible for determining and reviewing policies. A risk management framework that aligns with objectives, key goals, strategies and risk appetite. as well as complying with anti-corruption measures Including having to prioritize the risks. along with establishing risk management guidelines to reduce opportunities and impacts And determine the time to take action that can reduce the chance of being affected by the uncertainty of the business environment according to the changing situation. along with providing suggestions for monitoring and evaluating the results of risk management Management and organizational risk management committees as well as report risk management results to the Board of Directors Including reports in case of important factors or events that are high risk, such as the risk of things that will happen (Emerging Risk) or the risk of emergency and crisis events that will have a formal impact. Negative negative impact to the Company to the Board of Directors for acknowledgment as soon as possible.

In summary, the Risk Management Committee is committed and dedicated to improving the risk management process. Including various relevant manuals up to date suitable for changing situations So that the Company can manage risks efficiently, appropriately and can be controlled at an acceptable level. Ready to communicate with stakeholders. and understand the Company's risk management to ensure that the Company will be able to achieve its business goals.

On Behalf of the Risk Management Committee

Pioneer Motor Public Company Limited



(Miss Jirayong Anuman-rajadhon)

Chairman of the Risk Management Committee

Report of the Nomination and Remuneration Committee for the year 2022

Dear all shareholders

Pioneer Motor Public Company Limited and its subsidiaries

Board of Directors Approved the establishment of the Nomination and Remuneration Committee on February 27, 2015. Currently, the Nomination and Remuneration Committee consists of 3 members as follows:

- | | |
|----------------------------------|---|
| 1. Mrs. Pennapha Dhanasarnsilp | Chairman of the Nomination and Remuneration Committee |
| 2. Miss Jirayong Anuman-rajadhon | Member of the Nomination and Remuneration Committee |
| 3. Mr. Wasun Itthirojanakul | Member of the Nomination and Remuneration Committee |

Miss Sirirat Itthirojanakul serves as the secretary of the Nomination and Remuneration Committee.

Nomination and Remuneration Committee Performed duties as assigned by the Board of Directors. In considering the review of criteria and methods of recruitment and appoint a person which deems appropriate to be a director of the Company including proposing a remuneration policy and other benefits for the Board of Directors various committees to present to the Board of Directors or the shareholders' meeting as well as being responsible for recruiting and considering the remuneration and performance of the Managing Director. and participate in the review of criteria and methods for recruiting senior executives

For the year 2022, the Nomination and Remuneration Committee A total of 1 meeting was held to consider various matters. and report the results of the meeting together with comments on The Board of Directors considers In summary, the important points considered are as follows:

- Review and nominate qualified persons according to the law. and the rules related to holding a directorship in place of a director who retires by rotation by considering recruiting, selecting and nominating persons with qualifications, experience and knowledge beneficial and appropriate to the nature of the Company's business to be presented to the Board of Directors' Meeting and the Annual General Meeting of Shareholders for further consideration. Directors with vested interests will abstain from voting.
- Consider the remuneration of the Board of Directors. various committees By considering the duties and responsibilities assigned. performance Company's financial status and level of compensation which is comparable to industry benchmarks. to present to the Board of Directors and the Annual General Meeting of Shareholders for approval.
- Promote and support the Company. Opportunity for shareholders Able to propose agendas for the 2022 Annual General Meeting of Shareholders and nominate qualified persons to be considered for election as a director according to the criteria disclosed on the Company's website From September 9, 2022 until January 26, 2023
- Consider the remuneration of the Managing Director as appropriate to the assigned duties and responsibilities, and the Company's performance by comparing with the Company's goals, including the actual economic condition by comparing with the Company's remuneration rate. in similar industries

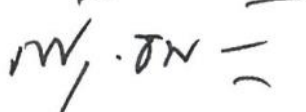
- Conducted an evaluation of the performance of the Nomination and Remuneration Committee for the year 2022. and report the results of the evaluation to the Board of Directors in order to improve the efficiency of operations along with disclosing the assessment results in the annual report.

Nomination and Remuneration Committee has performed the duties assigned to him carefully, transparently Fair and honest opinions According to the principles of good corporate governance for the utmost benefit of shareholders, investors and all stakeholders

On behalf of the Board of Directors of the Nomination and Remuneration Committee

Pioneer Motor Public Company Limited

Mrs. Pennapha Dhanasarnsilp



Chairman of the Nomination and Remuneration Committee

Report of the Board of Directors' Responsibilities for the 2022 Financial Report

Dear Shareholders

Pioneer Motor Public Company Limited and its subsidiaries

The Board of Directors is responsible for the consolidated financial statements of Pioneer Motor Public Company Limited, including the financial information appearing in the Company's annual report and financial statements. The Board of Directors is of the view that The Company's financial statements for the year ended December 31, 2022 have been prepared in accordance with generally accepted accounting principles. By using appropriate accounting policies based on the principle of caution and consistent practice and using careful discretion and reasonable estimates in the preparation Including sufficient disclosure of information in the notes to the financial statements. Such financial statements have been audited and unconditionally commented by an independent certified public accountant.

Board of Directors Encourage the company to have good corporate governance, develop the structure of the board of directors to promote continuing good governance in order to operate the company efficiently transparent and reliable The Board of Directors has appointed an Audit Committee consisting of 3 independent directors to be responsible for reviewing financial reports. Internal control and internal audit systems The Audit Committee has expressed its opinions on such matters in the Audit Committee Report which has already been shown in the annual report

The Board of Directors is of the opinion that the overall internal control system of the Company is adequate and appropriate. As well as able to create reasonable confidence in the reliability of the Company's financial statements for the year ended December 31, 2022.



Mr. Wasun Itthirojanakul

Managing Director



PIONEER MOTOR PUBLIC CO.,LTD.

78, 78/4, 78/5 Moo 3 Dontoom-Nakornchaisri rd., Donfaek, Nakornchaisri, Nakornpathom 73120 Thailand

Tel: (66.34) 265-122-8 Fax: (66.34) 265-119, 389-222

www.pioneermotor.th.com