

**Annual Registration Statement 2020**

**For the year ended 31 December 2019**



**Masterkool International Public Company Limited**

**KOOL**

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## Message from the Chairman

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Situation of the COVID-19 epidemic since early 2020 causing an impact on the overall global economy and inevitably Thailand, especially our country that relies on high income from foreign tourists when compared with other Asian countries, with the production sector that has to be disrupted both in the country and outside the country all a negative impact on the income of the Thai population. Therefore, the overall of the Thai economy shrinks strongly

The Masterkool International Public Company Limited Group has operated the business with determination, prudence and carefully also continuously improved internal factors in terms of efficiency, quality and cost control amid the negative economic factors. The operating results of Masterkool International Public Company Limited Group for the year 2020 performance loss for the year of 3.51 million Baht according to the consolidated financial statements. However, the company group will continue to develop products and services to meet the needs of consumers by continuously building a market base among corporate customers to build the strength of the business and build a foundation for sustainable, long-term growth under good corporate governance along with human resource development to support the rapidly changing world and bring success to all stakeholders.

On behalf of the Board of Directors, I would like to express my appreciation to our shareholders, customers, business partners, executives, and employees as well as all stakeholders for all your continued support and for the confidence that you have placed in Masterkool.



Mr. Sanpat Sopon  
Chairman of the Board

## Audit Committee Report

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The Auditing Committee of Masterkool International PLC consists of 3 independent directors with qualifications and experience from various branches, as follows: -

- Mr. Mongkol Kasaemsun Na Ayudthaya Chairman of the Audit Committee
- Mr. Sanpat Sapon Audit Committee
- Assoc. Prof. Dr. Prakit Tangtisanon Audit Committee

The Audit Committee has performed its duties as specified in the Audit Committee Charter which the Board of Directors has assigned; and in accordance with the requirements of the Stock Exchange of Thailand. In 2020, the Audit Committee held 4 meetings of the Audit Committee. The Audit Committee meeting reviewed and discussed the essence of the operation with the management, internal auditor, and regular auditors Summary of duties as follows: -

**1.Financial Report Review:** The Audit Committee meets only with the financial auditors and internal auditors quarterly without management attended the meetings. If there are any items where the Audit Committee has to rely on the details for consideration, the Committee may invite relevant executives to clarify, before commenting and presenting to the Board of Directors.

For financial report of the year 2020, the Audit Committee considered that the company's financial report was prepared in accordance with generally accepted auditing standards, with sufficient disclosure of material information in the notes to the financial statements.

**2.Reviewing Transactions that may lead to conflict of interests:** The Audit Committee has reviewed the disclosure of information from transactions that may lead to conflict of interests, and they have been deemed to be adequate and in compliance with the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission of Thailand.

**3.Management Review and Risk Management:** The Audit Committee has considered risk policies and programs, as well as the risk performance report, by meeting with the Risk Management Task Force to provide better guidelines and suggestions for improvement.

**4.Review of Good Corporate Governance:** The Audit Committee has directed and reviewed the operations in accordance with the Corporate Governance Policy, as well as business ethics requirements and defined work practices, to ensure compliance with good corporate governance principles to ensure that all stakeholders are respected<sup>1</sup>.

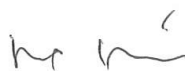
**5.Review of Internal Control System and Internal Auditing Oversight:** The Audit Committee employed ACC-PLUS Consultant Co., Ltd., the third-party internal auditor, to be the company's internal auditor for the independence of the inspection work. Internal audit results were reported directly to the Audit Committee, and therefore continuous monitoring of internal auditing results is required. In the year 2020, the Audit Committee found no significant internal control deficiencies within the year.

**6.Considering on Auditor and Audit Fee:** The Audit Committee has considered SP Auditing Co., Ltd by expertise, based on knowledge, ability, qualifications, and experience, by the standard auditing of listed companies in the Stock Exchange of Thailand. Moreover, the auditing fee is in line with the size of the company's budget. It has proposed to the Board of Directors to consider the appointment of the auditor and the remuneration of the auditor at this Annual General Meeting of Shareholders.

### Summary of Audit Committee Report

The Audit Committee has performed its duties and responsibilities as its charter approved by the Board of Directors with full knowledge, ability, prudence, caution, and sufficient independence to equally benefit all stakeholders.

The Auditing Committee is of the opinion that the company's financial report is accurate and consistent with generally accepted accounting standards. The company also manages the risk from internal control and proper internal auditing with compliance to the law, good corporate governance principles and to the requirements in business.



Mr. Mongkol Kasaemsun Na Ayudthaya  
Chairman of the Audit Committee

## Nomination and Remuneration Committee Report

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The Nomination and Remuneration Committee has performed the duties assigned by the Board of Directors in the charter of the Nomination and Remuneration Committee.

In 2020, the Nomination and Remuneration Committee has one meeting to consider the importance in various topics, include the progress of the work in accordance with the scope of duties, and follow up on assigned responsibilities as follows: -

**1.Nomination of Persons to be Independent Directors and Company's Directors:** The Nomination and Remuneration Committee is responsible for recruiting qualified persons according to the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. There are to be no prohibited characteristics as required by law, qualifications, experience, and knowledge that are beneficial to the business. The Committee then presents them at the Board of Directors and the shareholders' meeting for approval. The interested directors will not participate in the consideration and abstain from such issues.

To present persons to become the Company's Directors in the year 2020, the Nomination and Remuneration Committee assigned the Company Secretary to publish an announcement on the Company's website to invite the shareholders to nominate candidates to be elected as Directors.

**2.Review of Committee and Sub-Committee Remuneration:** The NRC considers remuneration packages for directors and sub-committees by reducing these remunerations to meet the the Company's performance. The Board of Directors has resolved as approval for proposing to the shareholders

**3.Review of Remuneration Structure for Executives and Employees:** The NRC considered remuneration structure, together with top management and HR, to be consistent with the company's performance and motivational an essential in maintaining talented employees.

**4.Organizational Structuring:** The NRC has reviewed the organizational structure with senior executives and HR to achieve better management efficiency and business performance. The organization structure has found suitable for the business; therefore, the Committee resolved the structure as effective structure for the further year

**5.Formation of the Company's and its Subsidiaries' Succession Plan:** The Nomination and Remuneration Committee determined that the direction of the Board of Directors, the criteria for evaluation / assessment, and the main objective plan in collaboration with senior management and HR, prepared the organization's readiness in advance and ensured that there would be continuous business conduct

**6.Designing Guidelines for Personnel Development Plan:** The Nomination and Remuneration Committee reviewed the employee development plan with the Human Resources Department. In addition to the development of knowledge and skills, The Company has planned to develop health personnel to drive the organization to sustainable growth.

In addition, the focus on the implementation of the happy workplace project aimed to propel the company towards a more sustainable growth.

### Summary Report of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has performed its duties as approved by the Board of Directors with careful transparency and impartiality, taking into account the maximum benefit of the Company and all relevant stakeholders.

In addition, the Nomination and Remuneration Committee encourages all directors to attend training or activities to increase their knowledge of the self-assessment of the Board of Directors and sub-committees which has been provided for both the group and individual. The reports are regularly made to the Board of Directors to further improve the operations.



Assoc. Prof. Dr. Prakrit Tangtisanon

Chairman of the Nomination and Remuneration Committee