



FIRETRADE
ENGINEERING PUBLIC COMPANY LIMITED

Annual Registration Statement/Annual Report 2021 (Form 56-1 One Report)

Firetrade Engineering Public Co., Ltd.

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Message from the Chairman of the Board of Directors

Dear shareholders

This is another year that we have to face the situation of the COVID-19 epidemic in Thailand. There is a new wave of outbreak in earlier 2021 and it causes a large increase in the number of infections and deaths. The government has set various measures to prevent the spread. As a result, the domestic economy has greatly slowed down. As for the company, affected by such measures, it has to slow down the delivery of products to the construction site. But the Board of Directors and the management team have closely monitored and followed the situation, including adjusting to lead the company to be able to operate the business continuously. The company still has a satisfactory performance and remains determined to operate our business for sustainable growth, transparency, social responsibility and all stakeholders.

On behalf of the Board of Directors and Management team, I would like to thank all shareholders, customers, business partners, alliances and employees who have been instrumental in driving the company to grow up to the present. Please believe that our company will conduct business on the basis of honesty by adhering to the principles of good corporate governance to grow sustainably forever.



Mr. Pornsak Limboonyaprasert

Chairman of the Board of Directors

Message from Chief Executive Officer

Dear shareholders,

Almost 2 years around the world, we have to face the epidemic of the new coronavirus 2019 (COVID-19), including Thailand, which has a new wave of outbreaks. As a result, the number of patients and deaths has increased considerably. The government has set measures to prevent the spread of the epidemic, including speeding up vaccination for as many people as possible. For the private sector, it is a time to conduct business to overcome the crisis. Because the impact of the epidemic affects the economic situation in a wide area. However, the company considers the opening of the country in the fourth quarter of 2021, and the accelerated mass vaccination of citizens will be a driving force and a good sign in 2022.

The fire system business and the company's affiliated businesses have been affected by the closure of the construction site, it causes the delay for the delivery of products to the construction department, the implementation of the project, and incurs higher operating costs than expected. In addition, the rising cost of goods due to steel and copper prices and shipping costs in the world market are significantly higher compared to 2020.

However, the company has adjusted the strategy to be able to continue our business during difficult times, such as expanding the customer base in public and private sectors, increasing share from the existing customer base, and preparing for more sales teams to support the economic recovery after people in the country have received gradually vaccines. In addition, the company will try to control costs, manage project installation costs continuously to maintain the growth rate. The company also considers that the demand for fire suppression systems in the market will recover according to the industrial sector and government investment on which the company has focused in the past 5 years. For 2022, I wish our shareholders, customers, business partners, and alliances will be confident in the company's development and business guidelines.

On behalf of the Firetrade Engineering Public Company Limited management team, I would like to thank our shareholders, customers, business partners, and alliances who have always supported the Company's business operations. I also would like to thank the Company's employees at all levels for their dedication, physical and mental efforts. All of you have greatly contributed to our operating results in 2021 as well.



Mr. Taksin Tantipijit
Chief Executive Officer

Part 1

Business Operations and Performance

1. Structure and Operations of the Group

1.1 Policy and business overview

History and current business operations of the Company

Firetrade Engineering Public Company Limited (“the Company” or “FTE”), formerly known as Firetrade Engineering Company Limited, was established by Mr. Taksin Tantipijit who is knowledgeable and experienced in firefighting equipment and fire extinguishing system design. The Company was registered on November 2nd, 1999 with registered capital and paid-up capital of Baht 2,000,000.00 to operate a full-service import and distribution business of firefighting equipment. Separated by product group, it can be divided into 4 product groups as follows: 1) Firefighting equipment product group and fire protection equipment such as fire protection valve, grooved coupling and fitting, fire hose cabinet and various accessories, portable fire extinguisher, and fire pump, 2) Fire suppression system product group, such as water-based system, foam system, clean agent extinguishing system, gaseous system, and water mist system, 3) Fire Alarm System product groups which have 4 main components: detection device, fire alarm equipment, system control cabinet, and alarm device, and 4) Uninterruptible power supply (UPS) and data center. It also provides design services and supplies of firefighting equipment and systems related to firefighting on-site, such as residential condominium buildings, office buildings, shopping centers, hotels, hospitals, computer data center rooms, high voltage power stations, power plants, and industrial plant. The Company has an experienced team with dedication and this enables the Company to deliver quality products and services to customers satisfactorily. The Company has been growing continuously and it is trusted by brand owners of firefighting equipment and fire extinguishing systems to appoint the Company to be the distributor of new products or more new brands. In addition, the Company has built a strong service team and can expand the services related to the fire extinguishing system comprehensively and completely from design, distribution, procurement, installation, repair, service, inspection, and maintenance of firefighting equipment and fire suppression systems to provide services completely.

The Company has one subsidiary, Fire Inspector Company Limited, which operates the business of importing and distributing automatic fire suppression systems including services related to fire extinguishing systems only for brands that the Company has been appointed as a distributor of 3 brands at present, which are automatic fire extinguishing systems with clean substances and smoke detectors.

1.1.1 Vision, Mission, and Operational Strategy

Vision

The Company operates business of importing and distributing fire protection equipment systems, clean agent extinguishing systems, fire alarm system and high quality fire pump machines with standard highly matches customers’ need and satisfaction in full range of fire protection services by specialized engineer teams who develop and get training continually.

Mission

To develop project engineering management by professionals to get works with quality and standard. To finish works completely or send products in time and/or catch up customers’ need and make them and related persons to have highest satisfactions.

Operational strategy

- Maintain the Company's existing customer base by focusing on increasing share of wallet from this group of customers through continuous development of customer relationships and satisfaction with the Company's products and services.
- Expand the market steadily and continuously by focusing on markets with high growth opportunities, such as infrastructure projects, manufacturing sector, service industry sectors, etc., including improving and expanding the scope of the Company's engineering services and expanding into regional markets and other countries in the ASEAN region.
- Cooperate with product suppliers or business partners to study and understand the needs of customers including various relevant international standards, improving product costs and logistics to be able to deliver to customers reliable, cost-effective, quality products and services that respond quickly to customers.
- Develop personnel continuously that is the Company's most valuable resource to have knowledge and expertise.
- Use information for analysis, improvement, and development of internal operations of the Company.

Future business plans

The Company and its subsidiary have business plans for sustainable growth in the future. The growth strategies in key markets have been defined as follows:

- Key Accounts such as the Electricity Generating Authority of Thailand (EGAT), major construction contractors, and infrastructure projects focus on expanding the share of wallet from this group of customers.
- A government sector is a large group of customers with a need for quality products according to standards.
- An industrial sector is a group of customers who expect high growth from the expansion following the policy of developing industrial zones in the eastern region, the revival of the petroleum and petrochemical industry, including legal requirements.
- Service business development to meet the needs of customers more comprehensively which is an engineering service related to the Company's existing business, such as auditing and evaluating the efficiency of fire suppression systems, maintenance, and repair of fire extinguishing equipment and systems, training related to the operation of equipment and fire suppression systems, etc.
- Market Expansion into ASEAN region and countries to enhance the Company's service level. In addition, the Company also seeks opportunities to expand its business into ASEAN countries such as Myanmar, Laos, etc., together with its business partners and business alliances.
- Datacenter group: the Company considers that the IT group will play a very important role in the future and it also needs fire extinguishing systems in such special areas.
- Warehouse Group: the Company has good experience in installing fire suppression systems in warehouses. The design follows the international standards and the introduction of products that the Company is a distributor to install completely, including maintenance work after installation work, etc. At present, warehouses are expanding more according to the market demand which the Company realizes such need.

1.1.2 Key milestones of the Company

The Company was listed Company and started trading commencement in The Stock Exchange of Thailand on July 27th, 2017

Key change and development in the past from Company establishment to present

Year	Details
1999	<ul style="list-style-type: none"> Established Firetrade Engineering Co., Ltd. on November 1999 with registered capital of Baht 2 million, Mr.Taksin Tantipijit group had shareholding of 85.50%. The Company distributed the fire protection products and equipment, fire suppression system, designing and sourcing services in fire protection equipment systems, fire suppression systems and fire alarm systems and head office located on No.19/20-22, Soi Soonvijai, Bangkapi Sub-district, Huaykwang District, Bangkok 10310.
2000	<ul style="list-style-type: none"> On February 2000, the Company increased capital to Baht 10 million for investment and use as working capital to business expansion.
2001	<ul style="list-style-type: none"> On April 2001, the Company increased capital to Baht 20 million for investment and use as working capital to business expansion. The Company had appointed to the distributor of automatic fire suppression system (foam) for industrial building, so the Company had to expand the customer base to industrial group and oil refinery.
2002	<ul style="list-style-type: none"> The Company moved its head office to No.21/56, Soi Soonvijai, Rama 9 Road, Bangkapi Sub-district, Huaykwang District, Bangkok 10310 with large useful space for supporting business growth.
2004	<ul style="list-style-type: none"> The Company hired additional office area at No.21/57, Soi Soonvijai, Rama 9 Road, Bangkapi Sub-district, Huaykwang District, Bangkok 10310 for supporting business growth and increasing service line staffs of installing fire protection system projects.
2007	<ul style="list-style-type: none"> Mr.Taksin Tantipijit established F.T. Contractor Co., Ltd. on May 11th, 2007, with registered capital of Baht 1 million and Mr.Taksin Tantipijit group had shareholding of 100% and its head office located on No.21/56, Soi Soonvijai, Rama 9 Road, Bangkapi Sub-district, Huaykwang District, Bangkok 10310 to import and distribute clean agent fire suppression system to be more alternatives for customers.
2009	<ul style="list-style-type: none"> F.T. Contractor Co., Ltd. was change its Company name to Fire Inspector Co., Ltd. ("FIS") on December 16, 2009 and increased its registered capital to Baht 2 million. Mr.Taksin Tantipijit group bought 9,000 newly issued shares and Mr.Krisada Lehavanich who appointed to be sale executive of FIS bought 1,000 newly issued shares then Mr.Taksin Tantipijit group had shareholding of 95% while Mr.Krisada Lehavanich had shareholding of 5%. FIS moved its office to No.26/1, Soi Soonvijai 2, New Phetchaburi Road, Bangkapi Sub-district, Huaykwang District, Bangkok 10310.
2011	<ul style="list-style-type: none"> The Company granted certificate management system by ISO standard 9001:2008 from SGS (Thailand) Limited under United Kingdom Accreditation Service (UKAS) and National Accreditation Council (NAC) from Ministry of Industry.
2014	<ul style="list-style-type: none"> Lease term of No.21/56 area of head office expired then the Company moved its head office to No.21/57-58, Soi Soonvijai, Rama 9 Road, Bangkapi Sub-district, Huaykwang District, Bangkok 10310. The Company hired to produce in Original Equipment Manufacturer (OEM) and

Year	Details
	marketing under the brand “TOTAL FIRE”. All products passed the standard quality from product quality tester in Malaysia along with British Standard (BS). The Company also hired manufacturer in Thailand to produce portable fire extinguisher and marketing under brand “TOTAL FIRE” and obtained Thai Industrial Standard (TIS) from Ministry of Industry.
2016	<ul style="list-style-type: none"> • FIS moved its office to to No.21/57-58, Soi Soonvijai, Rama 9 Road, Bangkapi Sub-district, Huaykwang District, Bangkok 10310. • On January 28, 2016, the Extraordinary General Meeting of Shareholders No. 1/2016 held the shareholders approved the dividend payment from net profit for the year 2012 at the rate of Baht 19.36047 per share, totaling Baht 3,872,094.95. • On July 28, 2016, the Extraordinary General Meeting of Shareholders No.2/2016 passed resolutions detail as follows: <ul style="list-style-type: none"> - The interim of the year 2016 was paid dividend to the existing shareholder of share 200,000 ordinary the dividend payment from net profit for the year 2012 - 2015 at the rate of Baht 1,395.74 per share, totaling Baht 279,148,000.00. - Increase the Company’s authorized share capital to Baht 225 million issued share and Allocated and offered increasing 2,002,500 ordinary shares to the existing shareholders according to the proportion of shareholding, and also offered 47,500 remaining ordinary shares to swap with Fire Inspector Co., Ltd’s 19,998 ordinary shares from its shareholders in order to restructure the group of business to avoid the conflict of interest in the future then the Company hold FIS proportion of 99.99 % of paid-up capital. - Approve to transform the limited Company to public limited Company rename to Firetrade Engineering Public Company Limited. - The Company Change the par value of authorized share from Baht 100 per share to Baht 0.50 per share with totaling authorized share capital 450 million ordinary shares. - Increase the Company’s authorized share capital newly issued share capital amounted to Baht 75 million with totaling authorized share capital Baht 300 million. In addition, 150 million ordinary shares with the par value of Baht 0.50 per share will be allocate for initial public offering (IPO).
2017	<ul style="list-style-type: none"> • At the general shareholders’ meeting of 2017 held on March 10th, 2017, resolved to approved the dividend payment from net profit for the year 2016 to shareholders of 450 million ordinary shares at the rate of Baht 0.14 per share, totaling Baht 63.00 million. • At the Board of Directors’ meeting No. 2/2017 held on May 12th, 2017, the Board of Directors approved an interim dividend payment from operation of the 1st quarter of 2017 at the rate of Baht 0.042 per share, totaling Baht 18.90 million. • The Company’s ordinary shares were accepted as the listed securities by The Stock Exchange of Thailand on July 27, 2017. • At the Board of Directors’ meeting No. 4/2017 held on November 8, 2017, the Board of Directors resolved to approve the interim dividend payment to the shareholder of share 600 million ordinary shares at the rate of Baht 0.07 per share, totaling Baht 42.00 million.
2018	<ul style="list-style-type: none"> • At the general shareholders’ meeting of 2018 held on April 4, 2018, resolved to approve the dividend payment from net profit for the year 2017 to shareholders of 600 million ordinary shares at the rate of Baht 0.126 per share,

Year	Details
	<p>totaling Baht 75.60 million.</p> <ul style="list-style-type: none"> At the Board of Directors' meeting No. 3/2018 held on August 10, 2018, the Board of Directors resolved to approve the interim dividend payment to the shareholder of share 600 million ordinary shares at the rate of Baht 0.09 per share, totaling Baht 54.00 million.
2019	<ul style="list-style-type: none"> On February 21, 2019, FIS increase authorized share capital to Baht 10 million, for use as investment and working capital for business expansion. In which the Company exercised the right to purchase 99.99% of the increased shares and the Company exercised the right to purchase the increased shares from the directors requesting not to exercise the right to subscribe for the increased shares, totaling 8,000,000 shares. At the general shareholders' meeting of 2019 held on March 28th, 2019, resolved to approve the dividend payment from net profit for the year 2018 to shareholders of 600 million ordinary shares at the rate of Baht 0.11 per share, totaling Baht 66.00 million. On August 5, 2019, the Company has been certified as a member of the Thailand's Private Sector Collective Action Coalition against Corruption (CAC) from Thai Institute of Directors in the second quarter of 2019. At the Board of Directors' meeting No. 4/2019 held on August 8th, 2019, the Board of Directors resolved to approve the interim dividend payment to the shareholder of share 600 million ordinary shares at the rate of Baht 0.07 per share, totaling Baht 42.00 million.
2020	<ul style="list-style-type: none"> At the Board of Directors' meeting No. 2/2020 held on March 30th, 2020, the Board of Directors resolved to approve the interim dividend payment from net profit for the year 2019 to the shareholder of share 600 million ordinary shares at the rate of Baht 0.09 per share, totaling Baht 54.00 million. On April 27, 2020, the Company and FIS moved its office to No. 1198/5 Rama 9 Road, Phatthanakan, Suanluang, Bangkok 10250, with large useful space for supporting business growth. At the Board of Directors' meeting No. 4/2020 held on August 14, 2020, the Board of Directors resolved to approve the interim dividend payment to the shareholder of share 600 million ordinary shares at the rate of Baht 0.02 per share, totaling Baht 12.00 million. The Company has been appointed as a Premiere Partner under the brand "DELTA" and "EATON" to completely meet the needs of customers and the demands in the uninterruptible power system group and digital data center that are rapidly growing demand of the decade with the advancement of communication technology in the 5G era and the increasing amount of online data usage. The growing trend of data usage will grow exponentially, not only in the consumer sector but also in the manufacturing sector. All machines will be equipped with IOT equipment, necessity of Critical Equipment such as UPS and Data Center and will continue to grow the Company in the future.
2021	<ul style="list-style-type: none"> At the general shareholders' meeting of 2021 held on April 5, 2021, resolved to approve the dividend payment from net profit for the year 2020 to shareholders of 600 million ordinary shares at the rate of Baht 0.04 per share, totaling Baht 24.00 million.

1.1.3 Use of capital increase

Firetrade Engineering Public Company Limited (“the Company”) made its initial public offering (IPO) on July 20th – 21st, 24th, 2017 of 150.00 million shares at the price of offering Baht 2.95 per share and got the money from the capital increase totaling Baht 421.61 Million (after deducting the cost of the offering of securities) intending to use the money as specified in the prospectus for the offering of newly issued shares of the Company as follows:

- Warehouse construction Baht 190.00 Million
- Open a sales and service office in the country Baht 6.00 Million
- Used as working capital Baht 225.61 Million

Later in 2020, due to the economic slowdown, opening a sales office or a branch is less important, the Company had to be cautious in investing. On August 14th, 2020, the Board of Directors reviewed the investment of opening a sales and service office in the country and resolved to use the money for the construction of a warehouse instead of in the amount of Baht 5.67 Million (the remaining amount as of June 30th, 2020). Such investment change was an insignificant change. It is the distribution of investment limit between the disclosed transactions. This action is following the criteria announced by the Office of the Securities and Exchange Commission No. Sor Jor 63/2561 and the Company informed the shareholders at the 2020 Annual General Meeting of Shareholders held on September 24th, 2020. Details of the distribution of investment limit are as follows:

The purpose of using the money (Unit : Million Baht)	Original amount according to the prospectus	Amount request to distribute the investment limit	Amount after Distributing the investment limit
1. Warehouse construction	190.00	-	195.67
2. Open a sales and service office in the country	6.00	5.67	0.33
3. Used as working capital	225.61	-	225.61
Total	421.61	5.67	421.61

On July 30th, 2021, the Company reported the last use of the capital increase with details as follows:

The purpose of using the money	Money plan	Balance amount as of December 31th, 2020	Amount spent during January – June, 2016	balance amount as of June 30th, 2020
1. Warehouse construction	190.00	0.82	0.82	0.00
2. Open a sales and service office in the country	6.00	0.00	0.00	0.00
3. Used as working capital	225.61	0.00	0.00	0.00
Total	421.61	0.82	0.82	0.00

1.1.4 General Information

Company's name in English	: Firetrade Engineering Public Company Limited
Symbol	: FTE
Registered Number	: 0107559000397
Type of Business	: Importer and distributor of products related to full range of fire protection services comprise of: 1) fire protection equipment systems 2) fire suppression system 3) fire alarm system 4) UPS and Data center including designing, selling, sourcing, installing, examining, repairing and maintaining of fire protection equipment systems and related fire protection systems.
Head Office	: No. 1198/5 Rama 9 Road, Phatthanakan Sub-district, Suanluang District, Bangkok 10250
Tel.	: 02-026-0470-92
Fax.	: 02-026-0499
Website	: www.firetrade.co.th
Industry	: Service
Sector	: Commerce
First Trading Date	: 27 July, 2017
Authorized share capital	: Baht 300 million (Three hundred million baht only)
Issued and paid-up share capital	: Baht 300 million (Three hundred million baht only)
Ordinary shares	: 600 million ordinary shares
Par value	: Baht 0.50 per share

1.2 Nature of business

The Company engages in the business of importing and selling entirely fire fighting equipment, fire suppression system and fire alarm system UPS and Data Center including design services, procurement, installation, repair, inspection and maintenance of fire suppression equipment and systems related to fire fighting in various locations inside and outside the buildings, vertical or horizontal buildings and industrial factories by a team of engineers and technicians with expertise of the Company.

Nowadays, the Company is a distributor of fire fighting equipment products and fire suppression systems from leading companies that are world-renowned and have internationally recognized standards. There are more than 9,000 different products from more than 35 brands, both as an Exclusive Distributor in Thailand and General Distributor.

The Company will continue to focus on recruiting for other new products or businesses. During the year 2020, the Company has been appointed as a Premiere Partner under the brands "DELTA" and "EATON" to help meet the needs of customers completely. To meet the needs of the UPS product group (Uninterruptable Power System) and digital data centers (Data Center). Which is the need of the decade that is growing rapidly, according to the advancement of communication technology in the 5G and the amount of data used that is increasingly traffic on the online world. The growing trend of data usage will grow enormously. Not just in the consumer sector but in the manufacturing sector as well. The machine will be equipped with an Internet of Things device, making the necessity of Critical Equipment such as UPS and Data Center and further the Company's future growth.

The Company has a subsidiary Company, Fire Inspector Company Limited, which operates the business of importing and selling fire suppression system including services related to fire extinguishing system especially two brands that the Company appointed as the distributor: JANUS (fire suppression system with clean agents and gas) and FFE (smoke detector).

The Company commits to be a supplier of entirely firefighting equipment, various fire extinguishing systems and design service provider, contractor for installing fire suppression system and fire alarm system with an important policy, the delivery of products and services regarding fire extinguishing systems and rapid-fire alarm system with acceptable and diverse security standards according to customer needs.

1.2.1 Revenue structure of the Company

Revenue of the Company and its subsidiary get revenue from business operation that could separate into 2 types such as:

- 1) Revenue from sales: this comes from selling products related to fire protection comprises of:

- 1.1 Fire Protection Equipment and Fire Fighting Equipment Components.

- 1.2 Products of Fire Suppression Systems such as water fire suppression system, fire extinguishing system with foam, fire extinguishing system with gas and fire extinguishing system with clean agent fire suppression system.

- 1.3 Products of fire alarm system such as smoke detector, heat detector, and alarm systems.

- 1.4 Uninterruptible power supply (UPS) and data center equipment

- 2) Revenue from services: it can be divided into two types as follows:

- 2.1 Revenue from project works: it is the consultation, design, and installation of fire suppression systems and fire alarm systems.

The Company and its subsidiary provide services from consultation and design to the installation of automatic fire suppression systems and fire alarm systems according to the aforementioned product groups. The engineering team of the Company and its subsidiary will be the coordinator with contractors or project owners to recommend fire extinguishing system products that are suitable for the needs and customer budget then the sub-contractors will be employed to work with the engineering team of the Company and its subsidiary to install systems related to firefighting, including testing and commissioning of automatic fire suppression systems and fire alarms before actual use after the installation is completed (Testing and Commissioning) to ensure that the Company and its subsidiary have delivered effective fire extinguishing systems that are ready for use according to the requirements or safety standards for customers.

- 2.2 Revenue from services: it is a service to inspect and maintain firefighting equipment and systems related to firefighting (Preventive Maintenance).

In addition to consulting services, design, and installation of fire extinguishing systems mentioned above, fire extinguishing systems and systems related to firefighting must be inspected to ensure that the equipment and systems are ready for use regularly. Therefore, the Company and its subsidiary have added services to inspect and maintain after-sales fire extinguishing system equipment by the engineering team of the Company and its subsidiary to facilitate customers.

The structure of Company and its subsidiary' revenue for the year 2019-2021

(Unit: In Million Baht)

Type of Revenue	2019		2020		2021	
1. Revenue from sales	689.16	67.18%	569.36	62.76%	560.29	55.72%
2. Revenue from project works and services						
2.1) Revenue from project works	316.32	30.83%	309.65	34.13%	414.50	41.23%
2.2) Revenue from services	20.38	1.99%	28.19	3.11%	30.67	3.05%
Total Revenues from sales and services	1,025.86	100.00%	907.20	100.00%	1,005.46	100.00%
Other Revenue	12.44		6.96		5.45	

The Company's customer group

The business of distributing fire suppression equipment entirely, automatic fire suppression system and fire alarm system UPS and Data Center including design services, procurement, installation, repair, inspection and maintenance of fire suppression equipment, and systems of the Company and its subsidiary can divide the customers into 3 major groups as follows;

1. **Contractor** that is a group of customers who need firefighting equipment with the quality and details following relevant laws and regulations specified by the project designer and with a price level according to the budget or the specified profit margin. Besides, contractors in some projects also need to rely on the distributor's expertise and experience in fire suppression systems that may be divided into 2 groups:

- 1.1 Main Contractors

- 1.2 System Installers

2. **Project Owners or End-users** that is a group of customers who need fire fighting equipment with the quality and details following relevant laws and regulations specified by the project designer and with a price level according to the budget or the specified profit margin as same as the group of contractors that can classify into sub-groups according to the nature of the business operation, such as;

- 2.1 Key accounts such as the Electricity Generating Authority of Thailand (EGAT) that has a project to install and improve the fire suppression system to prevent and extinguish the fire for the Electricity Generating Authority of Thailand's assets that have high value and located spread in many places around the country.

- 2.2 Government Agency and State Enterprise Agency

- 2.3 Industrial Sector

- 2.4 Hospitality Sector

- 2.5 Commercial & Residential Buildings

The company has offered and provided product information to the customers by our sales teams, which consists of a team of engineers, including fire protection equipment and fire suppression system sales.

3. **Shop group or product distributors** which are a customer group that helps to distribute products at the Company and be a distributor to distribute products into the markets thoroughly because many contractors install medium-small-sized fire extinguishing systems and many project owners who want to install firefighting equipment and systems throughout the country.

Revenue ratios from project works and services categorized by customer groups for the year 2019-2021

Customer Group	2019	2020	2021
1. Designer and contractor of fire protection system	75%	72%	68%
2. Project owners or end users	11%	15%	19%
3. Shop group or product distributors	14%	13%	13%
Total	100%	100%	100%

The revenue ratios from sales and services classified by customer groups

The Company and its subsidiary can separate the revenue from sales and services according to customer groups as follows:

- 1) Revenue from sales: the Company and its subsidiary have revenue from sales of fire extinguishers, automatic fire suppression systems, and fire alarm systems. In terms of system work, if customers buy products and install themselves, it will be recognized as revenue from sales, with the ratios of average revenue from sales for the past 3 years from 2019 to 2021 equal to 62% and the revenue ratios can be classified by average customer group for the past 3 years: 69% was the designer/contractor group, 10 % was the project owner group, and 21% was the dealer shop group.

Revenue ratios from by customer groups for the year 2019-2021

Customer Group	2019	2020	2021
1.Designer and contractor of fire protection system	71%	69%	67%
2.Project owners or end users	8%	11%	11%
3.Shop group or product distributors	21%	20%	22%
Total	100%	100%	100%

- 2) Revenue from services: the Company and its subsidiary recognize the revenue from projects if the customers employ the Company or its subsidiary to install the product, including revenue from inspection and maintenance of system related to firefighting which is the revenue from services, with the rations of average revenue from sales for the past 3 years from 2019 to 2021 equal to 38% and the revenue ratios can be classified by average customer group for the past 3 years: 76% was the designer/contractor group, 23% was the project owner group, and 1% was the dealer shop group.

Revenue ratios from services categorized by customer groups for the year 2019-2021

Customer Group	2019	2020	2021
1.Designer and contractor of fire protection system	82%	78%	68%
2.Project owners or end users	18%	22%	29%
3.Shop group or product distributors	0%	0%	3%
Total	100%	100%	100%

The Company started its business in 1999 as an importer and distributor of equipment, various types of automatic fire suppression systems, and fire alarm systems from leading manufacturers in foreign countries as well as providing fire extinguishing system design services. The main customer group was office building owners, condominium buildings, and building contractors. The Company has been entrusted to be appointed as the distributor of more leading brands, respectively, NIBCO, Dixon Powhatan, TYCO, Grinnell, SPP Pumps, LPG, Securiton, Fogtec, Pyrochem, etc. This caused the Company's product portfolio to be diversified enough to expand its services to other customer groups such as industrial operators, oil refinery groups, high voltage power stations, data center rooms, etc. In 2004, the Company expanded its line of services for the installation of fire extinguishing systems in various projects in addition to providing fire system design services. Therefore, the Company was considered to be a full-service provider of fire suppression systems. In 2019, the revenue ratios from project works was reduced to 30.83% of revenue from sales and service. This was because the said revenue depended on the value of the project for the firefighting system installation and the progress of the firefighting system installation. In addition, as a result of the Company's adoption of new financial reporting standards in 2019, the revenue ratios from product work sales increased to 67.18% of revenue from sales and service while the revenue ratios from other services was equal to 1.99% of revenue from sales and service. It was found that in 2020, the revenue ratios from project works increased to 34.13% of revenue from sales and service. The revenue ratios from sales of products decreased to 62.76% of revenue from sales and service due to the Coronavirus epidemic (COVID-19). Many customers have delayed the delivery of products that cannot enter the area to work while the revenue ratios from other services increased to 3.11% of revenue from

sales and service which the Company recognized revenue from the inspection and maintenance service of firefighting equipment and systems related to firefighting (Preventive Maintenance). From projects due to be serviced from related projects as the Company has adopted new financial reporting standards in 2019 and 2021, the revenue ratios from project works has increased to 41.23% of revenue from sales and service increased to 33.86% compared to last year because during the year 2020-2021, the Company has installed and the progress percentage of more work from taking on many large projects such as the project for the distribution of lubricant products (PTT Lubricant), the electric train assembly plant project, plastic pellet plant project, rubber glove factory project, and high voltage power station project.

The revenue from sales of product decreased when compared to the previous year to be 55.72% of revenue from sales and service due to the Coronavirus epidemic (COVID-19). Many customers have delayed the delivery of products that cannot enter the area to work while the revenue ratios from other services increased of revenue from sales and service which the Company recognized revenue from the inspection and maintenance service of firefighting equipment and systems related to firefighting (Preventive Maintenance) but the value of work increased as the Company recognized the revenue from service of inspection and maintenance of firefighting equipment and systems related to firefighting (Preventive Maintenance) from projects that were due for services from related projects.

1.2.2 Product Types

1) Product and Services

Group 1: Fire Protection Products and fire extinguishing system accessories

1.1 Fire Protection Valve products are devices for installation in fire protection systems.

The valves used in fire protection systems must be certified by UL (Underwriters Laboratories) and /or FM (Factory Mutual) with the capability of withstanding a working pressure of not less than 175 psi and / or 300 psi (pound per square inch) and consist of the following valve types:



Gate Valve



Butterfly Valve

*Check Valve**Ball Valve**Strainer Valve**Automatic Airvent Valve*

1.2 Grooved Coupling and Fitting are used as joints for welding pipes in fire fighting systems without the need for an electric welding machine to weld pipes. They are designed to be able to move and to turn directions for supporting the expansion or contraction or the movement of pipes and buildings.

*Coupling**Fitting*

1.3 Fire Hose Cabinet and internal accessories

1.3.1 Fire Hose Cabinet is a cabinet looks like a red cabinet. The front of the cabinet is a glass that can be opened or broken to bring rescue equipment to be used in an emergency. The Company sells this type of product under the

brand "TOTAL FIRE" of the Company itself and the Company is also a distributor of fire extinguishers in other brands as well.



Fire Hose Cabinet



Fire Hose Reel



Fire Hose Rack

1.3.2 Hose Valve is a valve to distribute water from the pipe system to the outside.



Hose Valve







1.3.3 Fire Department Connection is a device to receive water from outside the building or fire truck to pay into the fire fighting system inside the building.













Fire Department Connection

1.4 Portable Fire Extinguisher is a fire extinguisher that is installed inside the building or outside the building together with other fire fighting systems to use for basic fire fighting while the fire starts to burn. The Company distributes the fire extinguishers under its brand "TOTAL FIRE" and is also a distributor of fire extinguishers in other brands as well to meet the needs of each customer.

The portable fire extinguisher is classified according to the types of chemicals contained in a fire extinguisher into 6 types as follows;

<p>1.4.1 Multi-Purpose Dry Chemical is contained in a red tank, consisting of chemicals that are compressed by pressure. It can extinguish the fire of type A, B, C or may extinguish the fire of type D if it contains special chemical agent. This chemical is cheap and easy to find. It is used in general areas such as residential buildings or offices, etc.</p>	
<p>1.4.2 Carbon dioxide (CO₂) is contained in a red tank. The end of the hose has a cone. The gas that is injected into cold vapour looks like dry ice. It is used to reduce the heat of the fire and does not leave stains. It can extinguish the fire of type B and C and suitable for use in the machine room, production lines in various industries or electrical room, etc.</p>	
<p>1.4.3 Water is contained in a stainless steel tank. It can extinguish the fire of type A and suitable for outdoor fire fighting that does not have conductive media in the fire protection area.</p>	
<p>1.4.4 Foam is contained in a stainless steel tank. When it is injected, foam bubbles will cover the surface of the combustible fuel. Therefore, it can extinguish the fire of type A and B, but it cannot be used to extinguish the fire of type C because it has electrical conductivity. In general, this agent is suitable for industrial fire fighting or fire fighting of thinner and volatile combustible substances.</p>	
<p>1.4.5 Wet Chemical is contained in a stainless steel tank and can extinguish the fire of type K. It is suitable for use in the kitchen because it can extinguish the fire caused by frying oil.</p>	
<p>1.4.6 Halotron-1 is contained in a red or green color tank. Inside the tank is the clean agent or Halotron-1 when it is sprayed, it will evaporate in the air. It does not leave stains and could extinguish the fire of type A, B and C and suitable for use in the computer room, clean room, electrical room, and electronic equipment storage room.</p>	

The table of the types of fire extinguishing chemicals

Types of fire	Symbols	Characteristics
TypeA	 	It can extinguish the fire caused by combustible solids such as firewood, rubber, wood, paper, plastic, animal skin.
TypeB	 	It can extinguish the flames caused by flammable liquids and gases, all types of oil, thinner gas, alcohol, asphalt and all kinds of flammable gases.
TypeC	 	It can extinguish all types of fires caused by fuels with an electric current.
TypeD	 	It can extinguish the fire caused by the burning of combustible metal.
TypeK	 	It can extinguish the fires caused by difficult combustible oils such as cooking oils and flammable animal fats.

Source: FIRE EQUIPMENT MANUFACTURERS' ASSOCIATION

1.5 Switch

1.5.1 Flow Detector is a device in the pipe fire extinguishing system. It sends signals to the fire alarm system control panel when the equipment detects that water flows in the pipelines from the operation of the fire sprinkler or when having the use of the fire hose.

1.5.2 The pressure switch is used to detect the pressure in the fire hose system by sending a signal to the fire alarm system control panel when the pressure in the fire hose system is changed.

1.5.3 Alarm Bell is used for voice alarm when a fire occurs with the ability to sound an alarm when a fire occurs by using the water flow as the mechanical drive.



Flow Detector

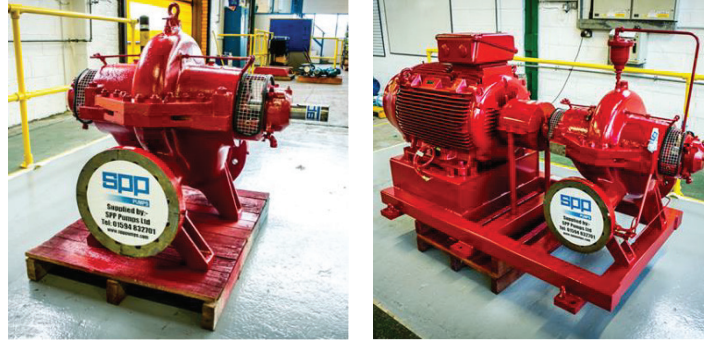


Pressure Switch



Alarm Bell

1.6 Fire Pump is used to control the pressure and flow rate of the water sufficient for the used fire suppression system. The used pump must be certified for fire fighting following the standards of UL / FM and/or NFPA 20.



Fire Pump

1.7 Pressure Gauge is used to show the pressure value. It has the unit in pounds per square inch (PSI) and kilograms per square centimeter (kg / cm²).



Pressure Gauge

Group 2 : Group of various fire suppression systems such as fire suppression system with water, fire suppression system with foam, fire suppression system with gas and fire suppression system with clean fire extinguishing agents.

2.1 Water-based System uses the **Sprinkler System** to protect the property and life from fire. It is an effective fire suppression system to control fires and is installed widely throughout the world. It can control the fire immediately while the fire is still small and causes the fire to stop expanding and spread. Its result causes less smoke and limited the fire area.



Automatic Sprinkler

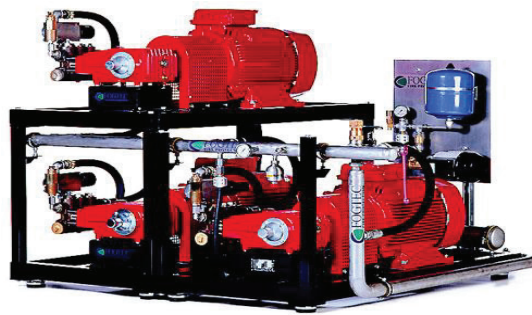


Concealed Sprinkler



Nozzle

For choosing fire suppression systems for open areas and the need for avoiding the use of fire extinguishing agents with certain gases that may be harmful to humans and the environment including the need for low maintenance costs, therefore, the technology of fire suppression systems with water is developed to be a fire extinguishing system using water mist fire protection system that the said system is a system that uses water as a fire extinguishing medium through a high-pressure nozzle system in which the water will be reduced to the smallest spray size to arrange the water droplets to have more surface to exchange heat and causes all water droplets to absorb heat energy. The evaporation of water droplets also causes oxygen metabolism that makes it able to extinguish the fire quickly.



Water Mist Fire Protection System

The fire extinguishing system with water can be divided into 4 main types consisting of:

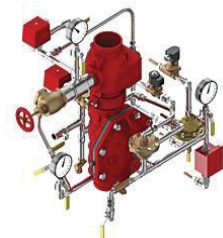
2.1.1 Wet Pipe System is suitable for the fire protection area at ambient temperature, not causing the water in the pipe to harden. Water from the fire extinguisher will spray out to extinguish the fire as soon as the fire occurs.



2.1.2 The Dry Pipe System is suitable for fire protection areas where temperatures are generally below the freezing point that may cause water hardening in the pipeline. In the pipeline system, compressed air will be used instead of water and suitable for countries with extremely cold climates or may be used in cold storage.



2.1.3 The Pre-action System is suitable for the protected areas that want to avoid the operation of the fire extinguisher that may fail and cause damage to property or high-value equipment such as the computer room, library, museum, etc.



- 2.1.4 The Deluge System is suitable for special fire protection areas that require a large amount of fire extinguishing water from all the open sprinklers at the same time and it is a wet pipe system that is widely used in Thailand.



Design and installation of fire sprinkler systems for any building must be designed to have at least one reliable fire suppression system that can deliver the water in sufficient amount and pressure to control the fire by using an automatic fire fighting pump connected to a water source, water tank, pressure water tank or public main pipe with sufficient pressure and flow at all times. Besides, the water supply must be calculated for fire suppression of the fire distribution system by using the occupied area of the building to calculate and must classify the area to be suitable for the type and amount of fuel materials available in that area.

2.2 Foam System is the fire extinguishing system (Foam System) is a system that combines water and foam concentrate to extinguish the fire by using foam principles or creating the surface of the foam on a flammable liquid to block oxygen from the fuel. The extinguishing foam system has important equipment such as;

- 2.2.1 Bladder Tank is used to contain extinguishing foam that can extinguish flames caused by oil or flammable liquids.



Bladder Tank



Foam Extinguisher

2.2.2 Foam Concentrate

a) Aqueous Film Forming Foam is a foam solution used for extinguishing fires caused by hydrocarbon such as crude oil, gasoline, fuel oil, etc., but not suitable for extinguishing fires caused by polar solvent solutions with water as a solvent such as a thinner and alcohol.

b) Alcohol Resistant Aqueous Film Forming Foam is a foam solution used for extinguishing fires caused by hydrocarbon and polar solvents that dissolve in non-polar solutions in which the foam solution causes the molecular pole disconnection.

2.2.3 Nozzles and other joints such as foam injection devices, control valves, etc.

2.3 Clean Agent Extinguishing System is a Total Flooding System for fire extinguishing systems with clean agents and suitable for fire fighting in protective areas where electrical equipment and electronic equipment are installed or in the areas with flammable liquids that want to protect the high-value property or important property for business operations by using Halocarbon Agent which can be divided into 3 types as follows;

2.3.1 FM-200 (Heptafluoropropane / HFC 227ea) Fire Suppression System

2.3.2 NOVEC 1230 Fire Suppression System

2.3.3 NAF-S125 (HF125) Fire Suppression System

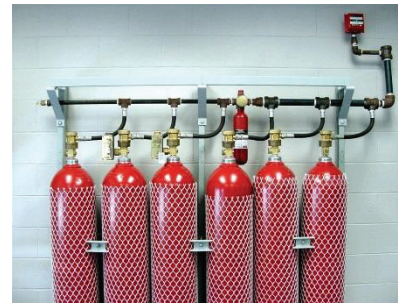


2.4 Gaseous System is a Total Flooding System for fire extinguishing. While the fire injection system works, fire protection areas must be well enclosed to prevent the gas leaking out of the protection areas and the property of the extinguishing gas must be certified by the trusted institution and can be used for fire fighting in areas where there are workers without harm to life when using in the right amount. It does not destroy the ozone in the atmosphere (Zero Ozone Depletion Potential). No effect causes global warming (Environmentally-Friendly) and must not cause damage to equipment and property installed in the fire protection areas that use fire extinguishing gas. The fire extinguishing system with gas can be divided into 2 types as follows;

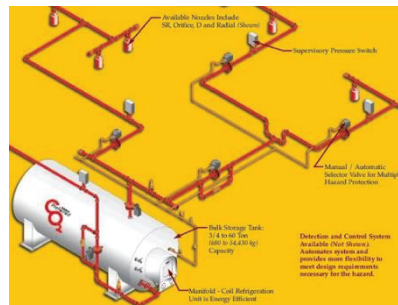
2.4.1 Carbon Dioxide Fire Suppression System (CO₂) is the use of carbon dioxide in the air for fire fighting.

Carbon Dioxide System will not cause damage to the property and used for protection in areas where there are no workers in which carbon dioxide is contained in two pressure-resistant cylinders as follows;

1. High-Pressure CO₂ Cylinder for use at the room temperature.



2. Low-Pressure CO₂ Cylinder for use with constant temperature control.



2.4.2 Inert Gas Agent fire extinguishing system which uses inert gas in nature to fire as follows;

- Nitrogen Gas Fire Suppression System (N₂)
- Inergen IG-541 Fire Suppression System
- Argon IG-01 Fire Suppression System
- Argonite Fire Suppression System



Group 3: Fire Alarm System product group

The fire alarm system is a system for detecting smoke or heat or flame occurring in the desired area that will send an alarm and an automatic fire alarm so that those who live in that area can be aware of the fire immediately and can extinguish the fire before the fire spreads and evacuates to a designated safety spot.

The fire alarm system has 4 main components; 1) Detection equipment 2) Fire alarm equipment 3) System control cabinet and 4) Alarm equipment by connecting each part with an electrical wire.

3.1 Product details of the fire alarm system are as the following;

3.1.1 Detection Equipment Fire smoke detection equipment can be divided into 2 types as follows;

- a) Spot type of smoke detector can be divided into 2 types: 1) Photoelectric Type that can detect smoke only and 2) Combined Type that can detect both smoke and heat.
- b) Linear type of smoke detector can be divided into 2 types: 1) transmitting-receiving devices included in the same set and 2) separate receiving-sending devices.



Spot Type



Linear Type

3.1.2 Heat detector can be divided into 3 types as follows;

- a) Fixed temperature type is heat detection at a constant temperature. The device will work as soon as it detects that the heat in the detected area increases to that temperature.
- b) The rate of rising type is the detection of temperature changes in the area. The device will work as soon as it detects a temperature rise of 8 degrees Celsius within 1 minute.
- c) Combined Type is heat detection which combines the principle of heat detection in both fixed temperature type and rate of rising type into the same device.



Heat Detector



Explosion Proof Type

3.2 Fire alarm equipment is used for sending the fire alarm to the control cabinet. When people see a fire incident, they can report the fire by using their hands. There are 2 types of fire alarm equipment which are push-type and pull-type.



Push-type of fire alarm equipment



Pull-type of fire alarm equipment

3.3 Fire alarm control panels used for receiving signals from automatic and / or manual fire alarm systems. When the fire alarm control panel receives the signal, it will process and send the signal to alarm devices. The selection of the type of fire alarm control panel will be considered based on the suitability of space and usage.



Fire alarm control panel

3.4 Fire alarm equipment is divided into 3 types; 1) Audible alarm: using for installation within general use areas 2) Strobe light alarm: can be installed in areas with machinery or noisy areas that are not suitable for audible alarm, and 3) Audible and strobe light alarm combined in the same device



Audible alarm



Audible and light alarm

Group 4: Uninterruptible power supplies (UPS) and data centers product group

The use of digital information is likely to grow with the increasing rate of information technology equipment utilization. Together with Internet of Things technology that will connect all devices to the Internet. Cause demand for use Data Center and Uninterruptible Power Systems (UPS). To support the data collection of large quantities and must be accessible anytime, anywhere from the Internet. Product details of the Uninterruptible power supplies (UPS) and data centers product group are as the following;

4.1 Uninterruptible power supplies (UPS) that the Company distributes can be divided into 2 types;

- 4.1.1 Line-Interactive UPS, an automatic high or low voltage protection (Stabilizer) to prevent power problems, the eliminates UPS the need to supply backup power from the battery every time there is a power failure or overload. Suitable for personal computer equipment (PC) both home and office. But it is not suitable for use with electrical equipment that is sensitive to high electrical quality such as a medical device, computer equipment and factory machinery, etc.



Line-Interactive UPS

- 4.1.2 Online Double Conversion UPS, a reserve power with high potential. By relying on the working principle of an electric current (Charger) and an inverter, which works all the time. Regardless of the power quality It can supply power to electrical equipment (Load) normally, making it possible to prevent electrical problems in all cases, such as power outages, power cuts, overloads or any interference, and also increases the quality of electricity even further for this reason. Therefore, this type of UPS is more expensive than other UPS types.



Online Double Conversion UPS

4.2 Data Center acts as a center for storing electronic data that must be highly secure. Able to access the stored information at any time. Through channels that meet the standards in accordance with international requirements. In general, the data center consists of the following key elements:

- 4.2.1 Uninterruptible power systems (UPS) to prevent data corruption and data inaccessibility in the event of a mains power failure.

4.2.2 Precision Air Conditioner System to maintain suitable environment for various electronic devices. Contained in the data center.

4.2.3 Fire Protection System to prevent and prevent fires that may arise in a timely manner. Damage to property and information to a minimum or none at all.

4.2.4 Storage of information equipment (Rack and Cabinet) is like a home for various information technology equipment such as a processor (CPU), network equipment rack (Server Rack), etc. so that the data center can pack various equipment. Full potential as designed.



Data Center

Product quality requirements

Thailand has many laws related to fire protection system such as the Building Control Act B.E. 2522, Ministerial Regulation No.33 of B.E. 2535 regarding the determination of structures and equipment that are components of tall and extra-large buildings and Ministerial Regulation No. 39 of B.E. 2537 regarding the formulation of methods regarding the installation of fire protection system, lighting and ventilation systems to control the construction of tall buildings to be safe from fire.

Various products assembled in the fire protection system directly affects the life and property of users or residents, therefore they must have quality and be tested following accepted international standards. The Company and its subsidiary then realize the importance of the sold products' qualities and they must be certified according to international standards such as UL (Underwriters Laboratories), FM (Factory Mutual), BS (British Standard) standards, etc.

Besides, the fire extinguishing system design and installation of the Company also have been certified for Quality Management System following ISO 9001:2015 by SGS, under the United Kingdom Accreditation Service (UKAS) and National Accreditation Council (NAC) from the Ministry of Industry to comply with various regulations and to assure the customers for the quality and safety of the various products that the Company is a distributor.

Warranty for products or services for periodic checks

The Company and its subsidiary guarantee all products of full fire extinguishing system equipment, fire pumps, valves, and accessories of fire suppression systems that have been damaged or errors caused by defects in the manufacturing process from the factory for at least one year, depending on the type of products.

The Company and its subsidiary have a warranty for project work after installation of fire extinguishing system and fire alarm system according to the Company's warranty for 1-2 years following the terms of the contract stipulated in the document specifying the scope of work (Term of Reference: TOR), which the Company will consider the appropriateness of the warranty conditions to comply with the value and warranty of the manufacturer of the product that has the warranty on products sold to the Company as well.

Warehouse and Shipping

The Company and its subsidiary have a warehouse located at No. 688, Pracha Phatthana Road, Thap Yao Sub-district, Lat Krabang District, Bangkok with a total area of 9 rai 1 ngan 43.4 square wa for use as a storage area for products and various equipment.

The Company's products will be transported with no additional cost to the customer if the product is delivered in the designated area (Bangkok and perimeter). If there is a delivery to areas other than the specified conditions, the Company will notify the customer and incur additional freight charges as mutually agreed upon.

In this regard, the Company will employ an outsource transport operator that has no involvement with major shareholders, directors, executives of the Company, and its subsidiary which has been selected and checked by the Company to be responsible for transporting products to the project or dealer shop. The Company has insurance for all transport vehicles for products transported in the country to cover damages or loss from accidents or incidents during the movement of products and transportation.

2) Marketing and Competition

2.1 Business strategy

The Company and its subsidiary have specified the business strategy as follows;

2.1.1 Marketing strategy

A) Business development with key customers

The key accounts of the Company currently include the Electricity Generating Authority of Thailand (EGAT) with a goal to maintain market share in the firefighting system installation project of the Electricity Generating Authority of Thailand (EGAT) at least 70%.

In addition, the Company will aim to expand and maintain market share (Share of Wallet) among major construction contractors and contractors of Infrastructure Development Projects such as CK, ITD, STECON, Huawei, etc., as well as other key customers such as the Metropolitan Electricity Authority, Provincial Electricity Authority, Airport Authority of Thailand, etc.

Business development with these key customers, the Company will focus on developing relationships with customer personnel involved at all levels through various marketing promotion activities, such as training to educate customer's personnel including support and having participation in the customer's project process throughout the process (Entire-process Involvement) to ensure customers that the fire extinguishing system design and use of products in fire extinguishing system following the standards and can complete the installation project according to customer needs.

B) Business development with industrial customers

An industrial customer is a group of customers that are expected to have high growth. Both from the expansion according to the policy from the expansion of the Eastern Economic Corridor (EEC), in the eastern industrial zone of 3 provinces (Chachoengsao, Chonburi and Rayong), from the recovery of Petroleum Petrochemical Industry and government measures that push for prevention and fire suppression systems for buildings and industrial factories. Besides, the duration of the fire extinguishing system installation project for industrial customers is generally

takes only 3-6 months, which is not very long and revenue recognition for projects and services of the Company has been also shortened.

C) Business development with customer group of government agencies and state enterprises

Customer group of government agencies and state enterprises is a large group of customers that needs standard quality products and there are many government buildings and state enterprises that still lack a standard fire suppression system.

Business development with customer group of government agencies and state enterprises. The Company will allocate personnel to perform duties in explaining the standard requirements and recommend products that are suitable for fire extinguishing systems within buildings of government agencies and state enterprises. The government agencies and state enterprises that the Company will focus on are Ministry of Defense, Ministry of Public Health, and Ministry of Justice etc. Because it is an organization that has plans and allocated budgets to improve fire fighting equipment already.

In addition, the Company will develop and update the Company's documents for the submission of tenders with government agencies and enterprises. To have a standard format and conforms to the regulations for the preparation of documents submitted to government agencies and state enterprises as well.

D) Service business development

The Company commits to continue responding to the needs and providing entirely services to the customers. The Company's fire fighting engineering services include inspecting and evaluating the effectiveness of fire extinguishing systems, maintenance and repair of fire fighting equipment and fire extinguishing systems, training related to fire fighting equipment and fire extinguishing systems, etc.

Expanding revenue from the Company's service business will focus on offering to exist customers of the Company that is plentiful and a bundle selling along with the distribution of fire fighting equipment and fire extinguishing systems to customers of the Company entirely.

E) Development of distribution channels to the household sector and online marketing

Customers in the household sector include houses, commercial buildings, and small office buildings. It is another group of customers that the Company is interested to develop distribution channels. As there are no competitors to actively market in this sector, the product line that is likely to gain interest from this customer sector is hand-held fire extinguishers, other basic fire alarm and suppression equipment, etc.

Moreover, the changing behavior of the purchasers, they also learn and access more product information through the online marketing channel. The Company therefore will study and develop an online marketing channel to be the communicative channel between the Company and purchasers. It allows purchasers to more access and study Company information, including details of the Company's products conveniently and quickly. It may also be another channel for distributing products and services to retail consumers in the future.

F) New products and businesses

In addition to the large fire pump products under the "US Fire Pump" brand for fire suppression in the petroleum and petrochemical industry where the Company has begun to be importer and distributor in 2019, the Company continues to focus on recruiting new products or other businesses to meet the needs of customers completely and it is an extension of the

Company's future growth. The Company has started to be a dealer of new products in 2018-2021 including:

- Fire sprinklers inside the fire hose cabinet under the brand “Huacheng” are products from China that have received international certification standards for the market that focuses on price that there are more kinds of imported products, so the Company has imported them as an alternative product for customers.
- The handheld fire sprinklers and foam portable fire extinguishers under the “NewAge” brand are Indian products with an international quality and price level that can compete with products under the existing brands in the market. The Company plans to offer these products as an alternative to customers.
- The Water Mist Fire Suppression System under the "Danfoss" brand from Denmark is a special firefighting system suitable for Data Center or machinery spaces such as electric generators, transformers, etc.
- The electric cables under the “Prysmian” brand and “MCI Draka” brand are one of the best quality brands in the market, in particular, 'fire-resistant electric cables' used in emergency circuits such as fire alarm systems, etc. The Company will focus on supplying fire-resistant electrical cables and general electrical cables for the group of contractors who are customers of the Company by offering bundle selling and firefighting equipment and firefighting system distributing in addition to the use of these wires in projects that the Company sells its products with installation services.
- The uninterruptable power supply (UPS) and equipment for data center under "DELTA" brand and "EATON" brand.
- The assembly of fire pump package: the Company studied the opportunity to assemble fire pumps for general buildings and industrial factories in 2019 with the objective to reduce costs and time for production and delivery (lead time) to customers and this will increase an opportunity to expand the Company's fire pump market to customers in the group of contractors and owners of general building and industrial factory projects.

2.1.2 Operational strategy

A) Development of the basic structure of the organization

The Company has a plan to develop the Company's infrastructure to increase competitiveness and sustainable growth in the future that consist of:

- Warehouse construction that is one of the objectives of raising funds by initial public offering (IPO) in July 2017, the construction was completed and ready for use at the end of December 2020.
- The Enterprise Resource Planning: ERP from the "WinSpeed" program to the "SAP Business ByDesign" at the end of 2019 which in addition to supporting data collection, reviewing and traceability of information, data analysis, and reporting performances of the business of product distribution including sales of projects and services, there are also various data storage systems in the Cloud system to facilitate the use of personnel in different departments of the Company and information security as well.
- The assembly of fire pumps for buildings and general factories that will increase the opportunity to expand the fire pump market of the Company: in the beginning, the Company will procure and import fire water pumps, engines, control sets, and other accessories including assembling fire water pumps in the new warehouse area of the Company. It is expected to be ready at the beginning of 2021.

B) Procurement and sourcing

- Forecasting and planning product requirements to manage the cost of products that must be imported from abroad and reduce the risk of problems of slow turnover and outdated products will be coordination and exchange of information between the sales department and the purchasing department. Even now, there are barriers to information and enterprise resource planning (ERP) software programs that cannot fully support forecasting and planning of product requirements. The Company has set the responsible person in each product group as "Product Champion" to gather the information on the product demand, periodic analysis of inventory, and offer to purchase products together with the procurement department.
- Cost management of products purchased domestically by analyzing historical purchasing data that will focus on the group of project materials that are repeatedly procured and has a high overall purchase value. Then the Company will determine the purchasing strategy for each type of product, such as finding new sellers to compare, issuing blanket orders, and further discussing with key vendors.

C) Logistics Management

The key logistics management strategy of the Company is to manage the cost of shipping with the aims to reduce the Company's shipping costs and delivery services to be more efficient that will focus on transportation management in 2 main areas as follows;

- Management of Truck Utilization of the Company to the highest value by planning the shipping routes and collecting data to assess the usage rate of the Company's trucks.
- Use of Outsourced Trucks will be collecting data on shipping costs and shipping routes, seeking new carriers that have acceptable capabilities and reduced costs.

D) Engineering management

To manage the control of the installation project of the engineering department to be more efficient, the Company, therefore, has established measures for managing sub-contractors. In addition to being prepared "Contractor Manual" for the contractors that work for the Company to study, understand, comply including to be the highest standard in working together and to prevent the practice or understanding that do not match. Besides the Company will evaluate and classify sub-contractors according to their capabilities and potentials of receiving installation work in projects of various sizes.

In addition, the Company will seek subcontractors with additional capabilities and potential in both the central and regional areas. To support the growth of the Company in the future

E) Human resource management

- Performance evaluation and giving compensation: The form of performance evaluation has been adjusted by considering both the performance of the main mission of each department in parallel with the work practices of employees according to the organization's values of '3FTE', such as a salary increase, Annual bonus, etc., in accordance with the assessment results.
- The Company encourages the supervisors to assess performance as well as providing suggestions for improvements and work development for the team periodically, such as a quarterly review, which will be an opportunity to review the work plan of both the supervisor and the team to be in the same way.

- The Company will consider adjusting the structure and conditions of compensation or special reward for the performance that exceeds the target such as reward, sales incentives, compensation for engineering personnel, etc.
- Personnel development and training will focus on the development of potentials and knowledge of personnel in various departments through a variety of human resource development processes. Such as internal and external training seminars On-the-job Training, one-on-one Discussion, etc.

2.2 Competition in the market

The business of importing and distributing products of fire extinguishing systems and fire alarm systems is regarded as a highly competitive business because there are a large number of entrepreneurs in the country who have the potential to distribute fire fighting equipment and systems and be the business with low entry barrier. Since there are no specific rules or regulations, there is no need to obtain special permission from the government agency and it relies on funds to distribute fire fighting equipment is not a high amount. Currently, more than 40 business operators are importing and distributing products in the fire extinguishing system and fire alarm system in Thailand.

However, products of the fire extinguishing system and fire alarm system are products that need to be considered for quality and safety. Used Products must be inspected and certified for international standards. Most have to be imported from foreign countries and there are a few operators in Thailand that have been appointed to be distributors from brand owners abroad. Moreover, the globally accepted products are in a limited amount and most brand owners have the policy to distribute through an Exclusive Distributor or the Limited Distributors for agents that have good performance and reliability.

If considering market sector ation according to the product quality level, we can classify it to be the market with demand for quality products that meet high standards or "Premium Sector ", which accounts for approximately 80% of the total market size. This is because the Engineering Institute of Thailand (EIT) which has a role in setting engineering standards in Thailand has set standards for products in fire extinguishing systems and fire alarm systems by reference to international standards such as UL , FM, VDS, etc. Also, the standard requirements for the design, installation, testing, maintenance, etc. have international standards as specified, such as NFPA, EN, etc. The upper market of this fire extinguishing system products is worth around Baht 5 Billion and there are approximately 20 importers and distributors of products considered to be the leading brands and providing design and installation services for fire fighting equipment and fire suppression system.

Besides, the Company is a distributor of fire pump under the brand "SPP" which helps the Company to meet the needs of customers to be more complete. The market of fire pump and other equipment (Accessories) in Thailand is worth about Baht 3 Billion, divided into 2 major parts which are the market for fire pump that is certified according to UL / FM (UL / FM Listed Fire Pump) that accounts for around 20 % of overall fire pump market and the fire pump market following NFPA (Non-UL / FM Listed Fire Pump) standards that accounts for about 80% of overall fire pump market.

2.3 Analysis of environmental factors affecting business operations

2.3.1 The effect of the coronavirus disease (COVID- 19) pandemic throughout the world in 2020 and the outbreak expected to continue in 2021 affect the global economy including investment in the manufacturing sector of various industry groups such as the tourism industry and investment in real estate and commercial building development projects. It affects the market of firefighting equipment and systems which

has been slowed or the investment plans have been canceled especially among building contractors, factories in many industries, hotels, and restaurants, etc.

2.3.2 The slowdown in the investment of real estate and commercial building projects has continued over the past 2-3 years, especially in the condominium sector due to the relatively high supply in the market including the overall economic condition that affects economic confidence and the need for firefighting equipment installed in real estate development projects. In particular, the condominium real estate sector declined by 15% - 20% in 2020.

2.3.3 The high-voltage substation construction project of the Electricity Generating Authority of Thailand (EGAT) has slowed down and caused a delay. It affects the recognition of revenue and project costs of the Company. In addition, there is higher price competition in the bidding of new projects, thus increasing the gross profit from the high-voltage substation construction project of the Electricity Generating Authority of Thailand tends to be decreased.

2.3.4 The growth of investment in the Eastern industrial zones (Chachoengsao, Chonburi, and Rayong) following the Eastern Economic Corridor (EEC) development project remains in a positive way although some industries may delay or cancel the investment due to the impact of the coronavirus disease (COVID- 19) pandemic and overall economic conditions. But there are some industries such as the food manufacturing and processing industry, pharmaceutical industry, plastics, and chemical industry, warehousing businesses, etc., that had less impacted and continued to expand their investment. Therefore, there is still a chance that the demand for firefighting systems installation in industries will be higher as well as opportunities for service and maintenance firefighting systems within the factories that had already installed.

2.3.5 Government investment projects to improve infrastructures, such as improving public health structures (construction and expansion of public hospitals), developing rail transit systems, improving airports nationwide, installing underground high-voltage power lines, promoting the development of renewable energies, etc. continue to be carried out following the government policy. This causes the requirement of higher detection and extinguished fire system especially among high-quality products that must be certified according to international standards

2.3.6 Purchasers' behavior in the digital age has turned to study and access information of various products via online marketing channels. This allows purchasers to access and study information and details of various products more conveniently and quickly. It is also another channel for distributing products and services to consumers or sub-contractors in the future. In addition, the expansion of the use of information also contributes to the development of data centers which are regarded as valuable and important property. They want to use various equipment and disaster prevention systems that are highly efficient as well.

3) Product and service procurement

Product procurement is a key strategy of the Company and its subsidiary according to the vision that customers can use a variety of products. Over the past 22 years, the Company was appointed to be a distributor of equipment and fire extinguishing systems from foreign brand owners which has been recognized at the international level continuously. In addition, the Company has a team of executives and employees with knowledge and expertise in fire

extinguishing systems which is the team that considers selecting products to be sold to customers. This ensures that customers will receive quality products with international standards at reasonable prices.

In the process of product procurement, the Company and its subsidiary will coordinate with the brand owners abroad to plan the purchase order and manage the storage of products to meet the needs of customers by considering along with the trend in future demand for products and trends in the quantity and prices of manufacturers in the market which the procurement method of products varies according to the nature of the acquisition of products. The details are as follows:

3.1 Products procurement from abroad

The Company has ordered most products from many foreign brand owners which the Company has been appointed to be a distributor for the exclusive distributor and general distributor (information of the contract for appointing a product distributor is in Part 1 (4) Business Assets). The Company and its subsidiary have the policy to focus on selling a variety of products that meet the needs of customers and international standards. The Company is an importer and distributor of products in each category as follows:

Product category	Brand	The distributor company	Brand owner country
1. Valve products include sluice valves, butterfly valves, ball valves, inlet and outlet nozzles, water volume adjustment valve, pressure reducing valve, joints and fasteners	- NIBCO - DIXON POWHATAN - GRINNELL - POTTER ROEMER - CLA-VAL - AGF	The Company The Company The Company The Company The Company The Company	USA USA USA USA USA USA
2. Fire extinguishing system equipment includes automatic sprinkler heads, fire hose cabinet, retractable and coiled fire sprinkler hoses, various types of fire extinguishers, flow rate testers, fire pumps	- BADGER - TYCO - MOYNE ROBERTS - SRI - OSW - SELEM - GIACOMINI - DIXON POWHATAN - NEWAGE - HUACHENG - GVI	The Company The Company The Company The Company The Company The Company The Company The Company The Company The Company The Company	USA USA Ireland Malaysia Germany China Italy USA India China USA
3. Clean fire extinguishing system, gas fire extinguishing system, kitchen fire suppression system, special fire suppression system, and foam fire extinguishing	- KIDDE - NATIONAL FOAM - LPG by JOHNSON CONTROL - PYROCHEM - DANFOSS - JANUS	The Company The Company The Company The Company The Company The subsidiary company	USA USA USA USA Denmark USA

Product category	Brand	The distributor company	Brand owner country
system	-FIKE	The Company	USA
4. Fire alarm devices include heat detectors, smoke detectors, fire alarm equipment, and system control cabinet	- SECURITON - NOTIFIER - SYSTEM SENSOR - FIKE SIGNIFIRE - FFE	The Company The Company The Company The Company The subsidiary company	Switzerland USA USA USA England
5. Fire water pump	- SPP PUMPS - KIRLOSKAR - SYNCROFLO	The Company The Company The Company	USA India USA
6. Signal switch	- SYSTEM SENSOR	The Company	USA
7. Uninterruptible power supply (UPS)	- DELTA - EATON	The Company The Company	Taiwan USA

3.2 Local product procurement and sub-contractor procurement

The Company and its subsidiary can also purchase some kinds of products from local manufacturers or distributors. If such products have distributors in Thailand but products still have to meet international standards as specified by The Company in terms of employing sub-contractors for installation of fire systems, the Company and its subsidiary will contact the sub-contractors to directly submit the quotation or bidding, as the case may be according to the policy set by the Company. However, the Company and its subsidiary will have an engineer to control the installation work of the Company and the engineer will act as a responsible person for every installation project.

3.3 Products under the brand of the Company

The Company has sold hand-held fire extinguishers, fire hose cabinets, various types of fire hoses, and accessories for installing fire hoses under the brand "TOTAL FIRE", which is the brand of The Company itself. In addition, the Company has employed a company in Malaysia to manufacture certain products as OEM (Original Equipment Manufacturer) according to the BS industry-standard (British Standard) except handheld fire extinguishers under the brand "TOTAL FIRE" that are manufactured in Thailand and have been certified by TIS standards from the Ministry of Industry.

3.4 Process of receiving products into a warehouse and delivering products to customers

3.4.1 The process of receiving products from the product manufacturer

A. The warehouse staff has been notified by the purchasing department to receive products. The warehouse staff will inspect and count products according to the details informed by the purchasing department to check the authenticity and quality of products. If products arrive incorrectly, the staff will notify the purchasing department and return them to the supplier.

B. When products are received correctly according to the details received from the purchasing department, the warehouse staff will store products and move the delivered products into the warehouse. They will be divided by category and sorted by the time they are delivered respectively in the specified area with the correct method to prevent damages or premature deterioration of products.

C. If products are damaged during movement or storage, the warehouse staff will report the cause to the supervisors to know and have the conclusion for collecting information of product report that does not meet the requirements and notifying the manufacturer and/or the insurance company.

3.4.2 Processes and procedures for disbursing products for delivery to customers

A. Sales coordinator informs the delivery of products to the warehouse staff to prepare delivery products and arrange transportation routes and coordinate with the finance department to receive the documents used in the delivery of products.

B. The warehouse manager coordinates to contact the transport contractor to prepare a contract for transportation services.

C. The delivery staff distributes products out of the warehouse including checking products, the number of products, delivery details, and delivery documents correctly to prevent mistakes in delivery. The disbursement and delivery of the products will be completed when the customer signs to confirm the receipt and the transport contractor signs to confirm the delivery. Then the delivery staff will keep that document with the bill and follow up on payments according to accounting regulations.

D. If products are defected or damaged, the sales department will issue a return receipt and the warehouse will check and plan to send products back to be checked. If products are defective, the warehouse will prepare a document to report their conditions and the cause of the defect of products for the purchasing department to claim such products with the supplier.

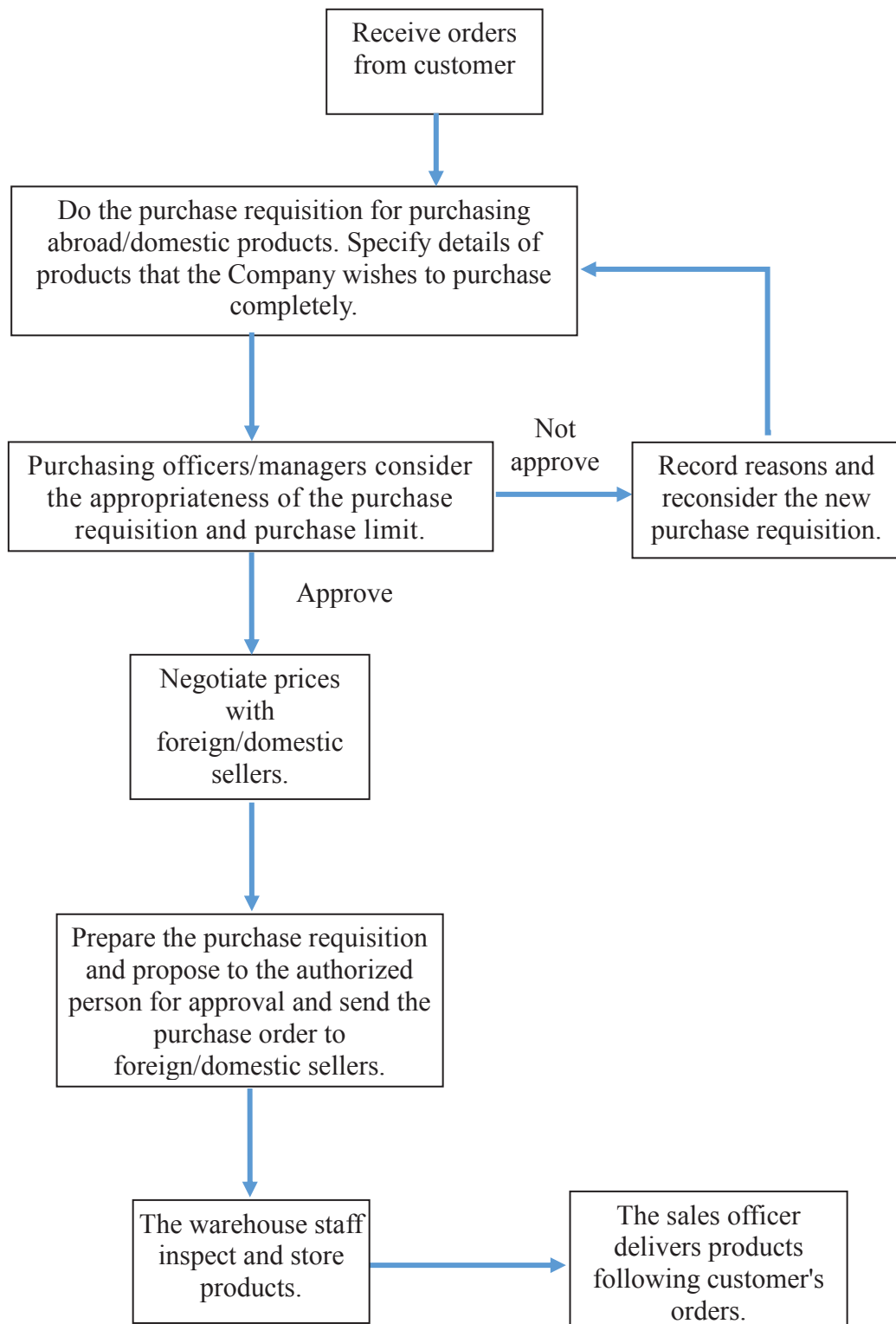
3.4.3 Procedures and steps for returning products in case of defective products

A. The sales department prepares the return receipt document. The warehouse checks the document and plans the receipt of products.

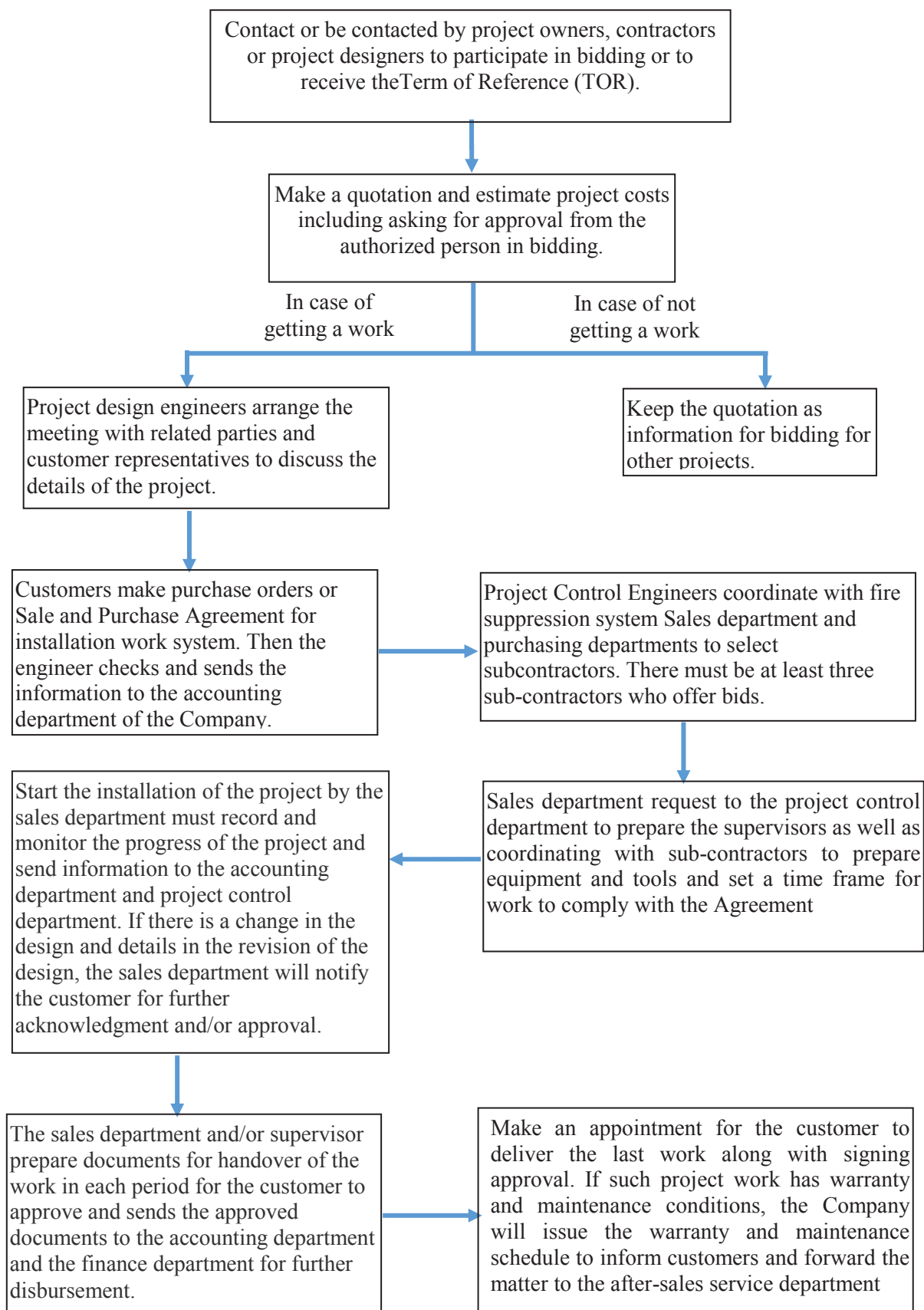
B. Upon receiving products, the warehouse staff checks the items and the quantity including signing to store products in the area for defective products and sending the documents back to the warehouse administrator.

C. The warehouse notifies the service department to test products. If products are defective, the warehouse proceeds to prepare a report document specifying the cause of the defect with photos and send them to the procurement department to process the product claim against the supplier. If products are not damaged, the warehouse will notify the sales department to contact the customer and inform the customer about the return of products.

Summary of the procurement process



Summary of the auction procedure, implementation of the design to install the work of the fire suppression system project and fire alarm system as well as handover of work



In this regard, The Company has insurance contracts for the operation of various projects to protect damages that may occur from the installation of the system by considering conditions and suitability of insurance from the nature of each work, such as insurance against property damages in the event of the fire suppression system installation, the product insurance, and the insurance for products and assets stored in the warehouse, the asset insurance for operation, the insurance for damages while shipping, etc. The Company has the warranty for all products or devices that are still under warranty or according to the period of service contract specified with the customer. If there are any damaged products or equipment, the Company will coordinate with foreign distributors to claim products. The warranty period with the manufacturer is one year from the date that products leave the port of the supplier's country or are delivered to the customer (Additional details on insurance contract in Part 1 (4) Business Assets).

4) Business Assets

4.1 Main characteristics of main fixed assets that the Company used in business operations

As of December 31st, 2021, the Company and its subsidiary have main fixed assets used in business operations as follows:

Type	Proprietary nature	Net Value (Million Baht) as of December 31 st , 2021	Obligation	Utilization of property
1. Land	The Company	122.70	- None -	To be used for warehouse construction
2. Buildings and building improvement	The Company	105.36	- None -	To be used in the Company's offices and warehouses
3. Office equipment and supplies	The Company and its subsidiary	5.82	- None -	To be used in the Company's offices and warehouses
4. Decoration materials	The Company	0.49	- None -	To be used in the Company's offices and warehouses
5. Tools	The Company and its subsidiary	2.79	- None -	To be used in the business of the Company
6. Vehicles	The Company	6.17	- None -	To be used in the business of the Company
Total net worth		243.33		

4.2 Details of leased land and buildings for business operations

As of December 31st, 2021, the Company and its subsidiary have office buildings that are leased from a related business. They are related to shareholders, directors, and executives of the Company and warehouses leased from third parties who are not related to shareholders, directors, and executives of the Company. Details of the leased assets for business operations as of December 31st, 2021 can be summarized as follows:

4.2.1 Headquarter building

The Company has leased the building space from shareholders, directors, and executives of the Company to use as headquarter. The essence of the Agreement can be summarized as follows:

1) Important details of the Building Lease Agreement and Service Agreement at Pattamaporn Building	
Contracting parties	Safety Factory Co., Ltd. as the lessor and central service provider
The execution date of Agreement	January 30 th , 2020, and annexed memorandum of June 22 nd , 2020
Agreement type	<p>- Space Lease Agreement: the space is located at No. 1198/5 Rama 9 Road, Phatthanakan Sub-district, Suan Luang District, Bangkok 10250, 2nd floor, 4th floor, and 5th floor, with a total area of 2,107.00 square meters to be used as the headquarter of the Company.</p> <p>- Central service Agreement in which Safety Factory Co., Ltd. is responsible for caring for the parking area and the utility of Pattamaporn Building. However, such service does not include the maintenance within the lessee's leased area.</p>
Agreement period	Start from April 27 th , 2020 and expire on April 26 th , 2023
Rental rate	The rental rate is Baht 368,725.00 per month, the service fee is Baht 284,445.00 per month, and the common service fee is Baht 84,280.00 per month (excluding VAT).
Renewal of Agreement	The lessee must notify the lessor in writing not less than 30 days before the expiration of the lease. If the Company extends the lease further, the lessor and the lessee will agree on a new rental rate based on the prevailing economic conditions as the basis for determining the rental rate. However, if the Lease Agreement is terminated, it shall be deemed to terminate the Service Agreement as well.

For the Lease Agreement of New Office Building, the Company is recognized as “right-of-use assets” under lease liabilities according to financial reporting standards No.16: Lease Agreement that determines the lessee to recognize assets and liabilities for all Lease Agreement with a lease term of more than 12 months, unless the underlying asset is of low value. As of December 31st, 2021 there are right-of-use assets of Baht 55.18 Million.

4.2.2 Warehouse

The Company leases the warehouse from other business which is not related to shareholders, directors, and executives of the Company. Details of the Agreement are as follows:

1) Important details of the Lease Agreement - Warehouse No. 12	
Contracting parties	Boonma Cargo Company Limited as the lessor
The execution date of Agreement	December 1 st , 2019
Agreement type	- Warehouse Lease Agreement No. 12: the warehouse is located at No.106, Ramkhamhaeng Road, Huamark Sub-district, Bang Kapi District, Bangkok with a total area of 200 square meters for storage of products and property of the lessee.
Agreement period	Start from December 1 st , 2019 and expire on November 30 th , 2021
Rental rate	The rental rate is Baht 29,500.00 per month
Renewal of Agreement	The lessee must notify the lessor in writing at least 2 months before the expiration of the lease.
Other conditions	<ul style="list-style-type: none"> - It is the responsibility of the lessee to insure the assets stored in the warehouse. - The lessor is responsible for the assets and land taxes during the lease term. - The lessee is responsible for the electricity bil. as actually incurred within the rental premises

4.3 Intangible assets

As of December 31st, 2021, the Company and its subsidiary had net intangible assets of Baht 5.24 Million which are computer programs.

4.4 Business license

The Company and its subsidiary are licensed to register the import and manufacture of chemical FM-200, which is a hazardous substance type III with the name of a hazardous substance: HFC-227ea, chemical formula C_3HF_7 with a ratio greater than or equal to 98%. Such chemical is the only hazardous substance that the Company has and is licensed to possess, import and produce at 20 metric tons per year. It is used in packing in production for the purpose of use in the firefighting procedure.

Details of the registration certificate and license for the import and manufacture of chemical FM-200

List type	Licensee	Period	Storage location
1. Registration of the Chemical FM-200	The Company/ Its subsidiary	January 1 st , 2017 - December 31 st , 2022	• No. 1198/5, Rama 9 Road, Phatthanakan Sub-district, Suan Luang District, Bangkok 10250
	The Company	January 23 rd , 2018 - December 31 st , 2023	• No. 1198/5, Rama 9 Road, Phatthanakan Sub-district, Suan Luang District, Bangkok 10250
2. Import the Chemical FM-200	The Company/ Its subsidiary	January 1 st , 2017 - December 31 st , 2022	• No. 688, Pracha Phatthana Road , Thap Yao Sub-district, Lat Krabang District, Bangkok 10520
	The Company	October 18 th , 2018 - October 17 th , 2023	• No. 688, Pracha Phatthana Road, Thap Yao Sub-district, Lat Krabang District, Bangkok 10520
3. Registration (Production License) of the Chemical FM-200	The Company	January 1 st , 2017 - December 31 st , 2022	• No. 1198/5, Rama 9 Road, Phatthanakan Sub-district, Suan Luang District, Bangkok 10250
4. Production of the Chemical FM-200	The Company	August 4 th , 2021 – December 31 st , 2022	• No. 688, Pracha Phatthana Road , Thap Yao Sub-district, Lat Krabang District, Bangkok 10520
5. Possession of the Chemical FM-200	The Company (possessing and accepting to take care of the chemical of its subsidiary)	August 2 nd , 2021 – December 31 st , 2022	• No. 688, Pracha Phatthana Road, Thap Yao Sub-district, Lat Krabang District, Bangkok 10520

In this regard, the Company received a certificate of Quality Management System ISO 9001:2015 from SGS accredited by the United Kingdom Accreditation Service (UKAS) and the National Accreditation Council (NAC) from the Ministry of Industry.

4.5 Important Agreements involved in business operations

4.5.1 Insurance Agreements for projects and services of the Company

The Company and its subsidiary have the insurance in projects and services of the Company. As of December 31st, 2021, details of the insurance Agreements can be summarized as follows:

1) Insurance Agreement for all risks of contractors who install the work and third party liability insurance	
Contracting parties	Deves Insurance Public Company Limited
The insured	Employer includes agents of the employer, and/or Firetrade

1) Insurance Agreement for all risks of contractors who install the work and third party liability insurance	
	Engineering Public Company Limited, as the main contractor, and/or all other sub-contractors assigned by the main contractor to carry out the construction according to the Agreement, and/or the project consultant. This also includes project managers, engineers, architects, and designers involved in the Project Agreement.
Installation site	Within the territory of Thailand
Insurance period	From September 19 th , 2021 to September 19 th , 2022, the protection period per project will not more than 12 months from the date of notification (plus a maintenance period of 12 months, a total of 4 weeks of testing time).
Total sum insured	Baht 100,000,000.00
Liability limit	Baht 100,000,000.00 for the project value according to the Agreement (maximum value per project is not more than Baht 15,000,000.00). Not more than Baht 10,000,000.00 per time for the employer's original assets. Not more than Baht 10,000,000.00 per time and throughout the insurance period for the limit of liability to third parties
Coverage conditions	Covers loss or damage to the insured assets caused by accidents or any other unforeseen circumstances.

2) Insurance Agreement for all risks of contractors who install the work and third party liability insurance	
Contracting parties	Deves Insurance Public Company Limited
The insured	Employer includes agents of the employer, and/or Fire Inspector Company Limited, as the main contractor, and/or all other sub-contractors assigned by the main contractor to carry out the construction according to the Agreement, and/or the project consultant. This also includes project managers, engineers, architects, and designers involved in the Project Agreement.
Installation site	Within the territory of Thailand
Insurance period	From September 19 th , 2021 to September 19 th , 2022, the protection period per project will not more than 12 months from the date of notification (plus a maintenance period of 12 months, a total of 4 weeks of testing time).
Total sum	Baht 15,000,000.00

2) Insurance Agreement for all risks of contractors who install the work and third party liability insurance	
insured	
Liability limit	Baht 15,000,000.00 for the project value according to the Agreement (maximum value per project is not more than Baht 10,000,000.00). Not more than Baht 5,000,000.00 per time for the employer's original assets. Not more than Baht 3,000,000.00 per time and throughout the insurance period for the limit of liability to third parties
Coverage conditions	Covers loss or damage to the insured assets caused by accidents or any other unforeseen circumstances.

3) Insurance Agreement for the risk in the maintenance of the Company	
Contracting parties	Falcon Insurance Public Company Limited
The insured	Firetrade Engineering Public Company Limited
Location	within the territory of Thailand
Insurance period	From September 1 st , 2021 to September 1 st , 2022
Total sum insured	Baht 145,000,000.00
Liability limit	Not more than Baht 10,000,000.00 per time and throughout the insurance period
Coverage conditions	Part 1) Loss or damage of the installation work Provide protection for installation work damaged due to fire, lightning, land subsidence, landslide, subsidence, explosion, theft, robbery, sabotage, or bullying for destruction of assets, etc. Part 2) Liability to third parties Provides coverage for the insured's statutory liability to third parties for death, bodily injury, or damages to the assets due to accidents caused by errors in the insured's operations or employees of the insured.

4) Insurance Agreement for the risk in the maintenance of the Company	
Contracting parties	Falcon Insurance Public Company Limited
The insured	Fire Inspector Company Limited
installation site	within the territory of Thailand
Insurance period	From September 1 st , 2021 to September 1 st , 2022
Total sum insured	Baht 10,000,000.00
Liability limit	Not more than Baht 10,000,000.00 per time and throughout the

4) Insurance Agreement for the risk in the maintenance of the Company	
	insurance period
Coverage conditions	<p>Part 1) Loss or damage of the installation work Provide protection for installation work damaged due to fire, lightning, land subsidence, landslide, subsidence, explosion, theft, robbery, sabotage, or bullying for destruction of assets, etc.</p> <p>Part 2) Liability to third parties Provides coverage for the insured's statutory liability to third parties for death, bodily injury, or damages to the assets due to accidents caused by errors in the insured's operations or employees of the insured.</p>

4.5.2 Insurance Agreement for domestic transported products

The Company and its subsidiary have insured for domestic transported products. As of December 31st, 2021, details of the insurance contract can be summarized as follows:

1) Insurance Agreement for domestic transported products	
Contracting parties	Thai Sri Insurance Public Company Limited
The insured	Firetrade Engineering Public Company Limited
Installation site	As details according to the installation location
Insurance period	From February 3 rd , 2021 to February 3 rd , 2022
Total sum insured	Baht 550,000,000.00
Liability limit	<p>Baht 15,000,000.00 per 1 way for transportation by car</p> <p>Baht 100,000.00 per 1 way for transportation by motorcycle</p>
Coverage conditions	Protection for lifting products up and down from trucks, total or partial damages or loss of the insured assets by protecting to the point of placement of products from all risks arising from external events of that assets except for the removal of canvas or any other materials used for covering products from the vehicle or some parts or products are not covered tightly enough to prevent products from getting wet when it is raining and the excluded products that are not included in the insured assets.

2) Insurance Agreement for domestic transported products	
Contracting parties	Thai Sri Insurance Public Company Limited
The insured	Fire Inspector Company Limited
Installation site	As details according to the installation location
Insurance period	From February 3 rd , 2021 to February 3 rd , 2022
Total sum	Baht 30,000,000.00

2) Insurance Agreement for domestic transported products	
insured	
Liability limit	Baht 15,000,000.00 per 1 way for transportation by car Baht 100,000.00 per 1 way for transportation by motorcycle
Coverage conditions	Protection for lifting products up and down from trucks, total or partial damages or loss of the insured assets by protecting to the point of placement of products from all risks arising from external events of that assets except for the removal of canvas or any other materials used for covering products from the vehicle or some parts or products are not covered tightly enough to prevent products from getting wet when it is raining and the excluded products that are not included in the insured assets.

4.5.3 Insurance Agreement for the risk of the assets

1) Insurance Agreement for the risk of the Company's all assets	
Contracting parties	Falcon Insurance Public Company Limited
The insured	Firetrade Engineering Public Company Limited
Insurance period	From May 14 th , 2021 to May 14 th , 2022
Total sum insured	Baht 406,000,000.00
Liability limit	All risk insurance has a reimbursement period of 12 months. - Part 1. The limit of liability is not more than Baht 50,000,000.00 per time for damages to the assets of the Company and loss or damages due to floods - Part 2. The limit of liability is not more than Baht 20,000,000.00 per time and throughout the insurance period for liability to third parties
Coverage conditions	<p>Part 1 - Insurance for the risk of the Company's all assets</p> <p>1) All assets of the Company only in the possession of the insured at No.1198/5, Rama 9 Road, Phatthanakan Sub-district, Suan Luang District, Bangkok 10250 The sum insured: Baht 126,000,000.00</p> <p>2) All assets of the Company only in the possession of the insured at No. 688, Pracha Phatthana Road, Thap Yao Sub-district, Lat Krabang District, Bangkok 10520</p> <p>3) All assets of the Company only in the possession of the insured in Boon Makarco Company Limited (Warehouse No. 03, 102, 04, 9C, 07, 202, 05, 06), No.106, Ramkhamhaeng Road, Huamark Sub-district, Bangkok District, Bangkok 10240 For the location 2) and 3), the total sum insured is Baht 280,000,000.00</p> <p>Part 2 - Insurance for legal liability to third parties</p> <p>1) Loss of life, bodily injury, illness or health of third parties</p>

	2) Loss or damage to the assets of third parties 3) Litigation costs
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2) Insurance Agreement for the risk of the Company's all assets	
Contracting parties	Falcon Insurance Public Company Limited
The insured	Fire Inspector Co., Ltd.
Insurance period	From May 14 th , 2021 to May 14 th , 2022
Total sum insured	Baht 11,210,000.00
Liability limit	All risk insurance has a reimbursement period of 12 months. - Part 1. The limit of liability is not more than Baht 50,000,000.00 per time for damages to the assets of the Company and loss or damages due to floods - Part 2. The limit of liability is not more than Baht 20,000,000.00 per time and throughout the insurance period for liability to third parties
Coverage conditions	Part 1 - Insurance for the risk of the Company's all assets 1) All assets of the Company only in the possession of the insured at No.1198/5, Rama 9 Road, Phatthanakan Sub-district, Suan Luang District, Bangkok 10250 The sum insured: Baht 210,000.00 2) All assets of the Company only in the possession of the insured at No. 688, Pracha Phatthana Road, Thap Yao Sub-district, Lat Krabang District, Bangkok 10520 3) All assets of the Company only in the possession of the insured in Boon Makarco Company Limited (Warehouse No. 03, 102, 04, 9C, 07, 202, 05, 06), No.106, Ramkhamhaeng Road, Huamark Sub-district, Bangkok District, Bangkok 10240 For the location 2) and 3), the total sum insured is Baht 11,000,000.00 Part 2 - Insurance for legal liability to third parties 1) Loss of life, bodily injury, illness or health of third parties 2) Loss or damage to the assets of third parties 3) Litigation costs

4.5.4 Insurance Agreement for the business interruption

1) Insurance Agreement for the business interruption	
Contracting parties	Falcon Insurance Public Company Limited
The insured	Firetrade Engineering Public Company Limited
Insurance period	From May 14 th , 2021 to May 14 th , 2022
Total sum	Baht 80,200,000.00

insured	
Liability limit	All risk insurance has a reimbursement period of 12 months. - The limit of liability is not more than Baht 5,000,000.00 per time for damages to the assets of the Company and loss or damages due to floods
Coverage conditions	<u>Income loss protection including audit fees</u> Insured place 1) No.1198/5 Rama 9 Road, Phatthanakan Sub-district, Suan Luang District, Bangkok 10250 2) No.688, Pracha Phatthana Road, Thap Yao Sub-district, Lat Krabang District, Bangkok 10520 3) Boon Makarco Company Limited (Warehouse No. 03, 102, 04, 9C, 07, 202, 05, 06), No.106, Ramkhamhaeng Road, Huamark Sub-district, Bangkok District, Bangkok 10240 List of insured assets 1) Gross Profit of Baht 75,000,000.00 2) Increase cost of working of Baht 5,000,000.00 3) Auditor Fee of Baht 200,000.00

2) Insurance Agreement for the business interruption	
Contracting parties	Falcon Insurance Public Company Limited
The insured	Fire Inspector Co., Ltd.
Insurance period	From May 14 th , 2021 to May 14 th , 2022
Total sum insured	Baht 4,260,000.00
Liability limit	All risk insurance has a reimbursement period of 12 months. - The limit of liability is not more than Baht 5,000,000.00 per time for damages to the assets of the Company and loss or damages due to floods
Coverage conditions	<u>Income loss protection including audit fees</u> Insured place 1) No.1198/5 Rama 9 Road, Phatthanakan Sub-district, Suan Luang District, Bangkok 10250 2) No.688, Pracha Phatthana Road, Thap Yao Sub-district, Lat Krabang District, Bangkok 10520 3) Boon Makarco Company Limited (Warehouse No. 03, 9C, 05), No.106, Ramkhamhaeng Road, Huamark Sub-district, Bangkok District, Bangkok 10240 List of insured assets 1) Gross Profit of Baht 4,000,000.00 2) Increase cost of working of Baht 250,000.00 3) Auditor Fee of Baht 10,000.00

4.5.5 Distributor Agreement

Brand	The appointed company	Product type that has been appointed as a distributor	Characteristics of being a distributor	Period that the Company has been appointed as a distributor	Year of first appointment	Warranty period from the owner of the brand	Warranty period for such brand with customers	Other conditions
NIBCO	FTE	- Fire suppression system - Valve products	General	20 years	2000	5 years	1-2 years	- Right to be a distributor in Thailand only - Received an extension of the right to be an agent every 2 years (due on August 24 th , 2022)
DIXON POWHATAN	FTE	- Valve products - fire hose	General	12 years	2008	1 year	1-2 years	- Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 3 years (due date December 31 st , 2022)
POTTER ROMER	FTE	- Valve products - Signal switch	General	13 years	2007	3 years	1-2 years	- There are no specific territories for the right of being a distributor. - There is no time limit for the expiration of being a distributor.
TYCO	FTE	- Valve products - Fire sprinkler head	General	18 years	2002	1-10 years	1-2 years	- Right to be a distributor in Thailand only - Received an extension of the right to be a

Brand	The appointed company	Product type that has been appointed as a distributor	Characteristics of being a distributor	Period that the Company has been appointed as a distributor	Year of first appointment	Warranty period from the owner of the brand	Warranty period for such brand with customers	Other conditions
MOYNE	FTE	- Fire hose - Hand-held fire extinguisher	General	20 years	2000	1 year	1-2 years	distributor every 1 year (due on January 17 th , 2023) - There are no specific territories for the right of being a distributor. - Received an extension of the right to be a distributor every 3 years (due on October 9 th , 2022)
SRI	FTE	- Valve products - Fire hose	General	20 years	2000	1 year	1-2 years	- Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 1 years (due on January 13 th , 2023)
OSW	FTE	- Fire hose	Single	12 years	2008	1 year	1-2 years	- Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 3 years (due on September 4 th , 2025)
5 ELEM	FTE	- Fire hose	General	10 years	2010	1 year	1-2 years	- There are no specific

Brand	The appointed company	Product type that has been appointed as a distributor	Characteristics of being a distributor	Period that the Company has been appointed as a distributor	Year of first appointment	Warranty period from the owner of the brand	Warranty period for such brand with customers	Other conditions
HD FIRE	FTE	<ul style="list-style-type: none"> - Fire sprinkler head - Fire sprinkler head - Foam bladder tank - Narrow angle spray nozzle 	General	13 years	2007	2 years	1-2 years	territories for the right of being a distributor. - Received the right to be a distributor for 15 years since 2010 - There is no time limit for the expiration of being a distributor.
GRINNELL	FTE	<ul style="list-style-type: none"> - Joints and fasteners 	General	9 years	2011	10 years	1-2 years	- Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 1 year

Brand	The appointed company	Product type that has been appointed as a distributor	Characteristics of being a distributor	Period that the Company has been appointed as a distributor	Year of first appointment	Warranty period from the owner of the brand	Warranty period for such brand with customers	Other conditions
BADGER	FTE	- Hand-held fire extinguisher	General	20 years	2000	6 years	1-2 years	(due on January 17 th , 2023) - Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 1 year (due on December 31 st , 2022)
NOTIFIER	FTE	- Fire alarm system	General	18 years	2002	3 years	1-2 years	- There are no specific territories for the right of being a distributor. - Received an extension of the right to be a distributor every 1 year (due on December 31 st , 2021) and it is in process. - The warranty period for products with customers is according to agreed project conditions and term of reference (TOR).
SYSTEM SENSOR	FTE / FIS	- Fire alarm system	General	20 years	2000	3 years	1-2 years	- There are no specific territories for the right of

Brand	The appointed company	Product type that has been appointed as a distributor	Characteristics of being a distributor	Period that the Company has been appointed as a distributor	Year of first appointment	Warranty period from the owner of the brand	Warranty period for such brand with customers	Other conditions
KIDDE	FTE	- Clean Agent Fire Suppression system	General	5 years	2015	1 year and a half	1-2 years	<p>being a distributor.</p> <ul style="list-style-type: none"> - Received an extension of the right to be a distributor every 1 year (due on December 31st, 2021) and it is in process. - The warranty period for products with customers is according to agreed project conditions and term of reference (TOR).
								<ul style="list-style-type: none"> - Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 1 year (due on January 2nd, 2023) - The warranty period for products with customers is according to agreed

Brand	The appointed company	Product type that has been appointed as a distributor	Characteristics of being a distributor	Period that the Company has been appointed as a distributor	Year of first appointment	Warranty period from the owner of the brand	Warranty period for such brand with customers	Other conditions
LPG	FTE	- Inert gas fire suppression system	General	19 years	2002	1 year and a half	1-2 years	<ul style="list-style-type: none"> project conditions and term of reference (TOR). - Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 1 year (due on December 7th, 2022) - The warranty period for products with customers is according to agreed project conditions and term of reference (TOR).
SECURITON	FTE	- Smoke detector - Heat detector	General	9 years	2011	2 years	1-2 years	<ul style="list-style-type: none"> - Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 2 years (due in 2023) - The warranty period for

Brand	The appointed company	Product type that has been appointed as a distributor	Characteristics of being a distributor	Period that the Company has been appointed as a distributor	Year of first appointment	Warranty period from the owner of the brand	Warranty period for such brand with customers	Other conditions
PROTECTOWIRE	FTE	- Heat detector	General	10 years	2010	1 year	1 year	<p>products with customers is according to agreed project conditions and term of reference (TOR).</p> <ul style="list-style-type: none"> - There are no specific territories for the right of being a distributor. - There is no time limit for the expiration of being a distributor. - There is no penalty fee if the conditional sale is not met.
NATIONAL FOAM	FTE	- Foam concentrate	General	13 years	2007	1 year	1-2 years	<ul style="list-style-type: none"> - Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 2 years (due on May 18th, 2022) - The warranty period for products with customers is according to agreed project conditions and

Brand	The appointed company	Product type that has been appointed as a distributor	Characteristics of being a distributor	Period that the Company has been appointed as a distributor	Year of first appointment	Warranty period from the owner of the brand	Warranty period for such brand with customers	Other conditions
FIERRE	FTE	- Foam bladder tank	General	9 years	2011	1 year	1-2 years	term of reference (TOR), - Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 1 year (due on December 20 th , 2023) - The warranty period for products with customers is according to agreed project conditions and term of reference (TOR).
PYROCHEM	FTE	- kitchen fire suppression system	General	18 years	2002	1 year	1-2 years	- Right to be a distributor within Thailand only - Received an extension of the right to be a distributor every 1 year (due on January 10 th , 2023) - The warranty period for products with customers is according to agreed project conditions and term of reference (TOR).

Brand	The appointed company	Product type that has been appointed as a distributor	Characteristics of being a distributor	Period that the Company has been appointed as a distributor	Year of first appointment	Warranty period from the owner of the brand	Warranty period for such brand with customers	Other conditions
FIKE SIGNIFIRE	FTE	- Smoke detector security camera	General	4 years	2016	1 year	1-2 years	- Right to be a distributor in Thailand only - Received an extension of the right to be an agent every 1 year (due on January 9 th , 2023)
JANUS	FIS	- Fire suppression system with clean substance and gas	General	11 years	2009	1 year	1-2 years	- Right to be a distributor in Thailand only - There is no time limit for the expiration of being a distributor.
FFE	FIS	- Smoke detector	General	4 years	2016	1 year	1-2 years	- Right to be a distributor in Thailand only - Received an extension of the right to be a distributor every 2 years (due on December __, 2022)

Note : - The Company determines the price for the sale of products and services. There is no regulation in setting the standard price from the brand owner (Principal) in any way.
 - All brands do not have a minimum order amount per year and there is no condition to set the fine with the Company if the Company fails to achieve its annual sales targets (No Sales Targets).
 - The Company does not receive any compensation for recommending its brand to other distributors or users from the brand owner.

4.5.6 Loan Agreement with financial institutions

The Company and its subsidiary have received credit facilities from financial institutions in various forms and have outstanding debt as of December 31st, 2021 as follows:

Summary of credit limits and debts of the Company

(Unit : Million Baht)

Limit type	Bank	Credit limit	Contract period	Interest rate / fee charged	Debts as of December 31 st , 2021	Letter of guarantee
Overdraft	Bangkok Bank	1.00	No time limit	- 3 month fixed deposit + 2.00%	-	- Mr. Taksin Tantipijit is the guarantor.
Loans under promissory notes Letter of Credit (L/C)	Bangkok Bank	43.00	No time limit	- MLR for Thai Baht - Money market rate for foreign currency (US dollar)	42.19	- Mr. Taksin Tantipijit is the guarantor.
Loans under promissory notes	C I M B T h a i Bank	10.00	No time limit	- MLR for Thai Baht - Money market rate for foreign currencies	9.52	- 6-month fixed deposit account of Baht 4.30 Million, owned by the Company
Loans under letters of credit (L/C) and trust receipts (T/R) and letters of guarantee (L/G)	Kasikorn Bank	15.00	1 year from January 8 th , 2016 and renewal for 1 year each time	- Money market rate for foreign currencies - Fee (L/G) ⇒ Bid envelope submission type 1.00%	13.79	- 12-month fixed deposit account of Baht 3.00 Million, owned by Mr. Taksin Tantipijit. - Mr. Taksin Tantipijit and Mrs. Pattamaporn Tantipijit are the guarantors.

Limit type	Bank	Credit limit	Contract period	Interest rate / fee charged	Debts as of December 31 st , 2021	Letter of guarantee
				=Contract, portfolio, electricity type 1.50%		
Performance Bond	Bangkok Bank	18.00	No time limit	- Fee 1.50%	10.39	- Mr.Taksin Tantipijit is the guarantor.
Advance Payment Bond	Bangkok Bank	9.00	No time limit	- Fee 1.75%	1.57	- Mr.Taksin Tantipijit is the guarantor.
Letter of guarantee	Kasikorn Bank	20.00	1 year from January 8 th , 2016 and renewal for 1 year each time	Fee - Bid envelope submission type 1.00% - Contract, portfolio, electricity type 1.50%	13.07	- 12-month fixed deposit account of Baht 3.00 Million, owned by Mr. Taksin Tantipijit. - Mr. Taksin Tantipijit and Mrs. Pattamaporn Tantipijit are the guarantors.
	Kasikorn Bank	20.00	1 year from March 25 th , 2019 and renewal for 1 year each time	Fee - Bid envelope submission type 1.00% - Contract, portfolio, Electricity type	14.35	- Unsecured

Limit type	Bank	Credit limit	Contract period	Interest rate / fee charged	Debts as of December 31 st , 2021	Letter of guarantee
				1.50%		
						-
	CIMB Thai Bank	3.00	No time limit	Fee - Bidding envelope submission type 1.50% - Other types 1.75%	-	- 6-month fixed deposit account of Baht 4.30 Million, owned by the Company
Forward contract	Bangkok Bank	43.00	No time limit	-	20.08	- Mr.Taksin Tantipijit is the guarantor.
	Kasikorn Bank	1.00	No time limit	-	-	- Unsecured
	CIMB Thai Bank	3.39	No time limit	-	0.05	- 6-month fixed deposit account of Baht 4.30 Million, owned by the Company




Summary of Credit Limits and Debt Limits of the subsidiary

(Unit : Million Baht)

Limit type	Bank	credit limit	Contract period	Interest rate/ fee charged	Debts as of December 31 st , 2021	Letter of guarantee
Letter of guarantee for submitting bid envelopes (Bid Bond)	Bangkok Bank	1.00	30 years from July 15 th , 2016 and renewal for 1 year each time	- Fee 1.50%	-	- Pledge of savings account of Baht 1.05 Million that is the ownership of Mr. Taksin Tantipijit - Mr. Thaksin Tantipijit is the guarantor.
Performance Bond		1.00		- Fee 1.50%	0.06	
Advance Payment Bond		1.00		- Fee 1.75%	-	

4.6 Trademark

Nowadays, the Company and its subsidiary currently have trademarks and brands for the sale of products of the Company (Brand Logo), which are products that employ domestic and international firefighting equipment manufacturers to produce products under the brand of the Company (Original Equipment Manufacturer: OEM) for three products: hand-held fire extinguisher, fire hose, and fire hose cabinet under the brand “TOTAL FIRE”.

Trademark	Ownership	Note
	The Company	Execute the registration of trademarks and services completely on October 8 th , 2018.
	The subsidiary	Execute the registration of trademarks and services. completely on October 8 th , 2018.
	The Company	In the process of registering new trademarks and services

5) Undelivered works

As of December 31st, 2021, the Company and its subsidiary has 113 undelivered works. They are fire suppression system installation projects with a total unrecognized revenue project value of Baht 274.42 Million. Details are as follows:

Work success level as of December 31st, 2021	Total (Project)	Total project value (Million Baht)	Recognized revenue based on the success of the work (Million Baht)	Residual value (Million Baht)
0% - 30%	34	207.59	8.45	199.14
>30% - 60%	12	76.58	35.62	40.96
>60% - 90%	12	75.08	56.97	18.11
>90% - <100%	55	383.05	366.84	16.21
Total	113	742.30	467.88	274.42

Note: They are divided into 93 undelivered projects of the Company and 20 undelivered projects of the subsidiary.

Fire suppression system installation projects and fire alarm systems take approximately 3-6 months for small projects and approximately 10-24 months for medium to large scale projects. The Company and its subsidiary have undelivered work according to the characteristics of the customer's projects as shown in the table.

Summary table of undelivered work divided by departments as of December 31st, 2021

Project	Total (Project)	Total project value (Million Baht)	Recognized revenue based on the success of the work (Million Baht)	Residual value (Million Baht)
Government sector	9	95.32	74.67	20.65
Private sector	104	646.98	393.21	253.77
Total	113	742.30	467.88	274.42

1.3 Shareholding structure of the Company group

1.3.1 Shareholding structure of the Company Group



Firetrade Engineering Public Company Limited

Authorized share capital: Baht 300.00 million

Issued and paid-up share capital: Baht 300.00 million

Par value: Baht 0.50 per share

Business operation: Importer and distributor of products related to full range of fire protection services comprise of;

1) Fire protection equipment systems 2) Fire suppression systems 3) Fire alarm systems 4) UPS and Data Center including designing, selling, sourcing, installing, examining, repairing, and maintaining of fire protection equipment and related fire protection systems.

99.99 %



Fire Inspector Company Limited

Authorized share capital: Baht 10.00 million

Issued and paid-up share capital: Baht 10.00 million

Par value: Baht 100.00 per share

Business operation: Importer and distributor of fire suppression systems including designing, selling, sourcing, installing, examining, repairing, and maintaining of system works related fire protection systems specific to 3 product brands the Company nominated to be distributor at present.

Investment Policy in the subsidiary

The Company will carefully aware the return on investment, risks and financial liquidity of the Company. It will consider investing in the subsidiary that has the potential to support and be the benefit for the Company's business operations. Each investment project must be considered by the Board of Directors and/or the shareholders' meeting according to the scope of the approval authority which the Company has a policy to send directors and/or the Company's executives to become directors in proportion to their shareholding in the said subsidiary to control the direction and important management policies of such subsidiary according to the Company's policy.

The subsidiary
Fire Inspector Company Limited (“FIS”)

	Details
Founding date	: May 11 th , 2007
Office address	: No.1198/5, Rama 9 Road, Phatthanakan Sub-district, Suan Luang District, Bangkok 10250
Nature of business	: Importer and distributor of automatic fire suppression systems including design, distribution, procurement, installation, inspection, repair and maintenance of systems related to specific branded fire suppression systems that the Company has been appointed as a distributor of 3 brands at present.
Issued and paid-up capital	: Baht 10,000,000.00
Par value per share	: Baht 100.00 per share
Company directors	: Mr. Taksin Tantipijit, Mrs. Pattamaporn Tantipijit, Mr. Krisada Lehavanich, and Miss Pen Yodklang The authorized directors are Mr. Taksin Tantipijit or Mrs. Pattamaporn Tantipijit, signing together with Mr. Krisada Lehavanich or Miss Pen Yodklang, totaling 2 persons with the Company's seal affixed.
Relationship with the Company	: FIS is the subsidiary of the Company. The Company holds 99,998 shares, representing 99.99 percent of the registered capital of FIS. There are joint company directors: Mr. Taksin Tantipijit, Mrs. Pattamaporn Tantipijit, and Miss Pen Yodklang.

1.3.2 Shareholder

Top 10 of major shareholder lists appeared in Book of shareholders' registration on book record date on December 30, 2021 were as follows:

No.	Name	Number of shares	% Shareholding
1.	Mr. Taksin Tantipijit's group	388,289,345	64.71
	1.1 Mr. Taksin Tantipijit	230,775,700	38.46
	1.2 Miss Paphanan Tantipijit ^{/1}	66,080,083	11.01
	1.3 Mrs. Pattamaporn Tantipijit ^{/2}	46,902,400	7.82
	1.4 Mr. Piyawach Tantipijit ^{/1}	44,531,162	7.42
2.	Mr. Banpote Jumroonrojana	27,000,000	4.50
3.	Miss Naruemon Charoenkitpan	5,000,000	0.83
4.	Mr. Ittipol Lertphong	4,879,900	0.81
5.	Mr. Sophon Viraseranee	4,300,000	0.72
6.	Mr. Sa-nga Jirawatthana	3,792,700	0.63
7.	Mr. Kosin Phobaikul	3,678,800	0.62
8.	Miss Walaiporn Wuthimetha	3,560,200	0.59
9.	Miss Malinee Charoenkitpan	3,236,500	0.54
10.	Mrs. Churairat Rattanasiriwilai	2,975,300	0.50
11.	Others	153,287,255	25.55
Total		600,000,000	100.00

Remark : ^{/1} Miss Paphanan Tantipijit and Mr.Piyawach Tantipijit were children of person no.1.1 and no. 1.3

^{/2} Mrs. Pattamaporn Tantipijit was spouse of person no.1.1

Shareholding structure of Fire Inspector Co., Ltd as at December 31, 2021 were as follows:

No.	Name	Number of shares	% Shareholding
1.	Firetrade Engineering Public Company Limited	99,998	99.99
2.	Mr.Taksin Tantipijit	1	<0.01
3.	Mr.Krisada Lehavanich	1	<0.01
Total		100,000	100.00

1.4 Shareholding Structure

Registered capital and paid-up capital

Firetrade Engineering Public Company Limited was the listed Company of the Stock Exchange of Thailand (SET) . FTE details of registered capital and paid-up capital as at December 31st, 2021 were as follows:

Registered and paid-up capital : Baht 300,000,000.00 comprising 600,000,000 ordinary shares with the par value at Baht 0.50 per share.

Fire Inspector Company Limited (subsidiary Company) details of registered capital and paid-up capital as at December 31st, 2021 were as follows:

Registered and paid-up capital : Baht 10,000,000.00 comprising 100,000 ordinary shares with the par value at Baht 100.00 per share.

1.5 Issuance of other securities

-None-

1.6 Dividend Policy

The Company has a dividend policy of no less than 40 percent of net profit, after the deduction of all legal reserves based on Separated Financial Statement as required by the law. Dividend payout may be subject to changes, depending on cash flow, investment plan, legal conditions. The Company considers all related factors and needs in the future to ensure that dividend payout does not affect normal business operations. The resolution of the Board of Directors on dividend payment must be submitted to shareholders' meeting for approval, except for interim dividend payout which must be approved by the Board of Directors and then reported in the next shareholders' meeting.

The subsidiary Company would consider dividend policy proposed by the Board of Directors by regarding its performance and other factors.

Dividend Information		Year 2019	Year 2020	Year 2021 /1
Interim dividend	Million Baht	42.00	12.00	-
Yearly dividend	Million Baht	54.00	24.00	33.34
Total dividend	Million Baht	96.00	36.00	33.34
Dividend payout ratio after deducting legal reserves				
	%	93.70	71.48	93.81
(Separate Financial Statements)				
Par Value	Baht per share	0.50	0.50	0.50
Totaling ordinary shares	Million shares	600	600	600

Note : - ^{/1} The Board of Directors' meeting No. 2/2022 dated March 11th, 2022 resolved to propose to the 2022 Annual General Meeting of Shareholders to consider and approve the omission of dividend payment for the operating results of the Company in the year 2021.

2. Risk Factors

2.1 Risk Management Policy and Plan

The Company gives priority to risk management including intending to resolve risk of Company continually. The investor should consider risk factors and other details appeared in this document carefully before decides to invest. Risk factors specified in this document are referred from present information and prediction in the future as could be specified. Some significant risk factors could affect negatively to Company's share value. Risk factors specified in this document are not the whole remaining risk factors. Maybe there are some unknown risk factors and maybe some risk factors are considered by the Company as insignificant factors at the present but they could be significant risk factors affected significantly to revenue, profit, asset, and liquidity, source of investment funds and business opportunity of the Company in the future. Then the investor should have discretion to consider information carefully.

Moreover, messages as future prediction, estimation, intention or purpose of the Company as appeared in this document such as "plan", "intend", "want", "predict", "deem that", "believe that", "estimate", "may" or any words or messages likewise that are words or messages to indicate something would be happened in the future with uncertainty and the actual results would be different from those predicted.

2.2 Risk in business operation

Risk from discontinuity of revenue

Because of the Company and its subsidiary had revenue from serving project of installing fire protection equipments, fire suppression systems and fire alarm systems about 35% of total revenue in average back to 2 years (year 2019-2021). Business operation as contracting projects like this may have risk from discontinuity of revenue. When installing fire suppression system service was complete and handed over but there was no new project, the Company still had expenses especially fixed cost. So the Company could be affected by expenses inconsistent with revenue and it could affect Company operation.

The Company had realized risk from discontinuity of revenue as well, we did yearly budget plan then Executive Committee could analyze and plan to do projects or contact to bid new projects consistent with nearly finished projects. This action could reduce risk from discontinuity of revenue and the Company and its subsidiary also had revenue from sales about 65% of total revenue that tended to grow continually so the Company had believed it won't be risk significantly.

Risk from relying on main foreign partners, risk from being cancelled from being distributor and main foreign partners coming to run business themselves

Because the Company was importer and distributor of fire protection equipment systems and fire suppression systems from foreign brand owners appointed the Company to be exclusive distributor such as OSW and appointed to be general distributor such as Dixon Powhatan, TYCO, Grinnell, SPP Pumps, LPG, Securiton, Fogtec and Pyrochem. So the Company had risk from relying on main foreign partners and risk from being cancelled from being distributor to change distributor or main foreign partners decided to run business themselves directly. Because most of contracts used to appoint distributors was the revised contracts to renew contracts of being distributor in every 1 - 3 years. If brand owners didn't renew being distributor of the Company and its subsidiary, it would affect to business operation of the Company. However, the Company was confident it won't be affected from that risk significantly because the Company had good relationship with foreign brand owners that were Company's partnership for over 22 years. Besides the Company could comply with the agreement of trading partner and got trust from partner to be distributor all along.

Risk from employing subcontractors to install products

Besides the Company distributed fire protection equipments and fire suppression systems, it also worked for project installing fire protection equipments and fire suppression systems such as high voltage sub-station project and sky train project. In order to work for projects, the

Company must employ subcontractors to install products of customers and this may be risk to control quality of installing following Company's standard. However, the Company considered that risk as well.

However, to protect that risk, the Company had plan to control quality of work from selecting subcontractors, designing systems to controlling installation by having Company's engineers to check quality of installation and work in every steps thoroughly before handing over work to the customers. The customers must check and evaluate all works with Company's engineers once again before handing over to make the customers confident the quality of Company's works. For selecting subcontractors for installation, the Company must select standard subcontractors and used old subcontractors that the Company was confident with and clear contract would be written for each project. Moreover, the Company also did insurance before working every project. The Company never faced any complaints from customers about products or equipment installation and fire suppression systems.

Risk from exchange rate

Most of products were imported from foreign countries and must be paid by foreign currency but whole revenue of the Company and its subsidiary were in Thai baht. Orders from foreign countries of the Company and its subsidiary were about 60% - 70% of yearly total orders. Foreign exchange rate was always fluctuated so the Company and its subsidiary may get risk from exchange rate fluctuation that would affect Company's revenue and operation.

The Company had considered effect from risk and had policy to prevent risk from exchange rate. The Company got support from financial institutes to use financial tools such as opening Forward Contract that was financial limit able to cover debt of foreign account payable in some period. The Company had considered using that financial tool appropriately and the Company had financial limit of Forward Contract from financial institute that was enough for preventing risk from exchange rate for each period of ordering products from foreign countries. In order that the Company believed exchange rate for each period of foreign orders, then the Company was believed that exchange rate fluctuation won't affect to revenue and cost but affected to Company's operation significantly.

Risk from management

Risk from major shareholder influent to set administrative policy

The business had Mr. Taksin Tantipijit's group, the major shareholder, holding total shares about 64.71% of total paid-up shares (After Initial Public Offering had done.). Then minor shareholders may have risk from major shareholder influent to set administrative policy. Major shareholder was one of the Board of Directors influent to resolution of shareholders' meeting because its group had over half of total shares except resolution that must be approved from shareholders over three-fourths of issued and paid-up shares.

However, the Company had Audit Committee comprised 3 independent directors from all of 7 Board of Directors. This mechanism was good balance of power caused the Company to have potential to manage and had transparency to manage through mechanism of internal control system including the Company had set authority and table of authorities to be several levels following appropriate range or financial limit. Moreover, the Company considered important policy about Principles of Good Corporate Governance by setting methods to do good corporate governance effectively and these methods must be followed strictly

Risk of product stock that may be outdated, obsolete, and deteriorated

Because the Company has the policy to order products to support the needs of customers fully, therefore, there may be a chance that some products will become outdated, obsolete, or deteriorated if they have been stored for a long time. Then the executives reduce the risk by assigning product managers who have knowledge and expertise to take care of each other. Each group of products, in regards to the number of purchase requests or a channel to sell products.

The Company uses the program to help in configuring the minimum and maximum for the point of purchase.

The risk from incomplete project cost estimation

Because the bidding for the sale of the project is a lump sum bidding. If the bidder is inexperienced, the amount of material may be removed and wages can be unpaid. This can affect the profit of The Company, therefore, the executives have the tools by creating a cost sheet template as a model to help reduce the chance of errors. In addition, the executives at the manager and supervisor level have to check the work of the team members according to the approval authority manual in another step.

Risk of default

The Covid-19 pandemic has affected almost all businesses. Many customers delayed payment of the debt which may result in the Company's lack of financial liquidity. The executives and debt collection team are therefore cautious and take care of customers closely in terms of follow-up and demand as well as being more cautious in giving credit lines in sales. However, to solve the problem that is predicted that in 2022, the situation will improve overall, so the Company requests an emergency credit line from financial institutions to prevent such risk.

3 Corporate Social Responsibility

3.1 Overall Policy

The Company focuses on performance under ethical framework and good corporate governance, having transparency and verifiable following methods of social responsibilities of Company specified by SET that are 8 principles such as: operation with fairness, anti-corruption, respect for human rights, fair treatment to labor, responsibilities for consumer, taking care for environment, community development, providing innovation and publicizing innovation from social, environmental and stakeholder responsibility operation.

(1) Fair Business Practices

1.1.The Company intends to operate business with honesty and runs business with social responsibilities both law, code of conduct and intends to make merit to person, community, society and environment and runs business by having standard of operation and good control with using ability with carefulness, adequate information and having referable evidences including performing following law and related regulations strictly.

1.2.Serving for the customer: the Company will serve for trade partner fairly, not call for or receive any unjust benefits. If the Company can't follow any conditions, please inform the trade partners in advance to find problem solving together.

1.3.Serving for the trade competitor: the Company will serve for trade competitor within regulation framework of good competition and not search for confidential information of the trade competitor with unfair methods.

(2) Anti-Corruption

2.1.Not to propose compensation, pay bribe, call for or agree or receive bribe from others or other organizations directly or indirectly to have compensation that are benefits for each other or hope for benefits related to Company's works.

2.2.Not to do improperly transaction related to government officer, person or other organization directly or indirectly.

2.3.Not to donate or pay some money to facilitate or give some supporting money to any person or organization for being channel to pay bribe.

2.4.Not to support money or other benefits directly or indirectly to political parties, political group to receive benefits in running business or benefits of themselves or their relatives.

2.5. The Company has been certified as a member of the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) from Thai Institute of Directors held on August 5, 2019, in the second quarter of 2019.

(3) Respect for Human Rights

The Company realizes to respect for lives and human dignity of everyone so it provides methods to support and urge staffs to act following basic principles of the human rights that everyone has equal right regardless differences of gender, race, religion, skin color, position, political belief and other belief. The Company focuses on respect for human rights of every committee and staffs in organizations and gives staffs a chance to show their opinions and complains about individual piracy.

(4) Fair Treatment of Labor

The Company sets method of treatment to staff by the Executive Committee must treat to labor fairly, manage works without bias, support creating potential of progress and increase staff's effectiveness of working, provide welfare to staff suitably, serve staff frankly, listen to opinion and recommendation reasonably. Moreover, the Company provides channel to get recommendation or complaints from the staffs and provides steps and procedures of considering complaints fairly.

(5) Responsibility to consumer

The Company assigns the Executive Committee and staff of the Company to treat customers as ethical-business regulations set strictly, takes care and be responsible for customers in the aspects of product quality and good service with standard, keeps secret of the customers, focuses on fair and equal price setting under Company's policy of price setting.

(6) Environmental Protection

The Company sets methods to take care for environment inside office and warehouse including focuses on and be responsible to community near the Company, runs business carefully and must not affect to nearby community's environment.

(7) Community Development

The Company will act or control to have act following law and related regulations and social responsibility including cooperating, helping, supporting and volunteering to do beneficial activities for community and society both in nearby communities and other communities.

(8) Creation and Promotion of Innovation Deriving from Operations with Society, Environment and Stakeholder Responsibility

The Company will support to provide innovation both in level of working procedure in organization and level of cooperation between organization that means doing things with new methods and also means changing in thought and manufacturing to increase value. Target of innovation is positive changing to make things better and causes increasing products to create highest benefits to society.

3.2 Managing impact on stakeholders in the business value chain

3.2.1 Business value chain

The Company operates a comprehensive business of importing and distributing firefighting equipment which the value chain of the Company can be divided into 2 types according to operating activities as follows:

3.2.1.1 Main Activities

1. Inbound Logistics: the Company orders products directly from the manufacturer to obtain quality products that meet the standards because products of the Company are products about fire suppression systems. The quality of the product is therefore important.

2. Marketing and Sales: the Company has sales staff with knowledge and expertise in the Company's products that can create the confidence to customers that they will receive quality products which meet the needs of the most use.

3. Services: the Company focuses on customer services during trading and after trading. The delivery team can deliver products to customers all over the country within the time the customer wants. In addition, the after-sales service team is another department that provides advice on product usage and maintenance, etc.

3.2.1.2 Support activities

The Company has departments to support the main activities of the value chain to be carried out effectively as follows:

1. Purchasing Department (Procurement) plans to procure products and bring in products to keep up with the needs of customers.
2. Accounting and Financial Department conducts financial activities that support the business of the Company to be successful in sales and purchases to be appropriate and sufficient.

3.2.2 Stakeholder analysis in the business value chain

Key stakeholders inside and outside the organization

Expectations

1. Stakeholders	Value of shares and good returns from business operations of the organization
2. Customers	Products and/or services with quality standards that meet their needs
3. Suppliers and/or services	Suppliers and/or partners cooperate in doing business together.
4. Employees	Career stability and career advancement
5. Society and environment	Promote and reward to society including not destroying and preserving the environment
6. Regulatory agency	Conduct business according to related rules and regulations strictly

The Company will begin to conduct a concrete expectation assessment of stakeholders in 2022 by determining channels for receiving opinions from all groups of stakeholders to be processed.

3.3 Sustainability management in environmental dimensions

3.3.1 Environmental policies and practices

The Company emphasizes on reducing energy consumption within the organization by installing solar panels on the roof of the building which will save electricity costs including helping to reduce global warming because the solar cell system will convert solar energy into electric charge without burning. No greenhouse gas emissions are released into the atmosphere that causes global warming. The Company also instills in employees the importance of saving energy which all employees cooperate very well. Now, the energy consumption of the Company is reduced and the cost of The Company is also reduced.

3.3.2 Environmental performance



3.4 Sustainability management in social dimensions

3.4.1 Social policies and practices

The Company focuses on rewards society along with business growth. The Company will conduct social activities annually.

3.4.2 Social Performance

Due to the ongoing situation of the COVID-19 pandemic since 2020, the Company suspends social activities that have been organized annually to reduce the risk of infection. But the Company is still aware of rewards the society. By 2021, the Company had donated fire extinguishers to the field hospital of Lersin Hospital for the COVID-19 patients where the executives of the Company are representatives in the donation.



4. Management Discussion and Analysis (MD&A)

4.1 Overview of past operations

The Company engages in the business of importing and distributing entirely firefighting equipment, fire suppression system and fire alarm system including design, distribution, procurement, installation, repair, inspection, and maintenance of fire equipment and systems related to firefighting in various locations inside and outside buildings, high-rise or low-rise buildings, and industrial plants by a team of engineers and specialized technicians in the Company. While The Company's subsidiary operates the business of importing and distributing automatic fire suppression systems including providing services related to the fire suppression systems. Total revenues of the Company and its subsidiary consist of sales revenue and revenue from project works and services which can be summarized as follows:

1) Revenue from the sale of products: it is the revenue generated from the sale of integrated firefighting equipment, fire suppression system accessories, automatic fire extinguishing systems, and fire alarm system. This is a sale to 3 groups of customers: (1) a group of designers and fire protection contractors, (2) a group of project owners or end users, and (3) a group of shops or product dealers.

2) Revenue from project works and services can be divided into 2 types:

2.1) Revenue from project works caused by providing a full range of services for contractors to install fire suppression systems for customers such as design, distribution, procurement, installation services commissioning test, etc.

2.2) Revenue from other services such as inspection, repair, and maintenance of fire suppression systems for customers, etc.

Sales and service revenue of the Company and its subsidiary will be in line with the economic conditions and the domestic construction industry that are results of public and private constructions, investment, and industrial plant growth trends. For operating results for the year 2019, 2020, and 2021, the Company and its subsidiary have revenue from sales and services of Baht 1,025.86 Million, Baht 907.20 Million, and Baht 1,005.46 Million, respectively. It is divided into revenue from sales of Baht 689.16 Million, Baht 569.36 Million, and Baht 560.29 Million, respectively, and revenue from project works and services (revenue from project works and revenue from other services) equal to Baht 336.70 Million, Baht 337.84 Million, and Baht 445.17 Million, respectively. Sales revenue has declined continuously over the past 3 years affected by the Covid-19 pandemic, but the revenue from services has increased. This will depend on the number of project works and the work values of the installation of firefighting systems each year.

Total revenues

The Company and its subsidiary have total revenues in 2019, 2020, and 2021 equal to Baht 1,038.30 Million, Baht 914.16 Million, and Baht 1,010.91 Million, respectively. They are divided into revenue from sales, revenue from project works and services, and other revenue as follows:

The structure of Company and its subsidiary' revenue for the year 2019-2021

(Unit : In Million Baht)

Type of Revenue	2019		2020		2021	
1. Revenue from sales	689.16	67.18%	569.36	62.76%	560.29	55.72%
2. Revenues from project works and services						
2.1) Revenues from project works	316.32	30.83%	309.65	34.13%	414.50	41.23%
2.2) Revenue from services	20.38	1.99%	28.19	3.11%	30.67	3.05%
Total Revenues from sales and services	1,025.86	100.00%	907.20	100.00%	1,005.46	100.00%
Other Revenue	12.44		6.96		5.45	

Revenue from sales by customer groups for the year 2019-2021

Customer Group	2019	2020	2021
1. Designer and contractor of fire protection system	75%	72%	68%
2. Project owners or end users	11%	15%	19%
3. Shop group or product distributors	14%	13%	13%
Total	100%	100%	100%

Sales revenue

The Company and its subsidiary had sales revenue in 2019, 2020 and 2021 equal to Baht 689.16 Million, 569.36 Baht Million, and Baht 560.29 Million or 67.18%, 62.76% and 55.72% of total sales and service revenue each year.

Revenue ratios from sales categorized by customer groups for the year 2019-2021

Customer Group	2019	2020	2021
1.Designer and contractor of fire protection system	71%	69%	67%
2.Project owners or end users	8%	11%	11%
3.Shop group or product distributors	21%	20%	22%
Total	100%	100%	100%

In 2019, The Company and its subsidiary had sales revenue equal to Baht 689.16 Million or 67.18% of total sales and service revenue. An increase from 2018 equal to Baht 35.27 Million or 5.39% due to the increase in new customer base in 2019 compared to 2018, the ratios of sales revenue by a group of designers and contractors, a group of project owners or general customers, and a group of shops or dealers equal to 71%, 8% and 21% of sales revenue in 2019, respectively.

In 2020, the Company and its subsidiary reported revenue from sales of 569.36 Million baht or 62.76% of total sales and service revenue, a decrease from 2019 equal to 119.80 Million baht or 17.38% due to 2020. Many customers have delayed the delivery of goods that cannot enter the area to work. Due to the epidemic situation of the corona virus 2019 (COVID-19), the ratios of sales revenue by a group of designers and contractors, a group of project owners or general customers, and a group of shops or dealers equal to 69%, 11% and 20% of sales revenue in 2020, respectively.

In 2021, the Company and its subsidiary had sales revenue equal to Baht 560.29 Million or 55.72% of total sales and service revenue, decreased from 2020 equal to Baht 9.07 Million or 1.59% due to 2020. Many customers have delayed the delivery of products to the area that cannot enter to work. Due to the epidemic situation of the COVID-19 pandemic, the ratios of sales revenue by a group of designers and contractors, a group of project owners or general customers, and a group of shops or dealers equal to 67%, 11% and 22% of sales revenue in 2021, respectively.

Revenue from project works and services

Revenue from project works and services can be divided into 2 types:

1) Revenue from project works caused by providing a full range of services for contractors to install fire suppression systems for customer such as design, sales, procurement, installation, commissioning, etc. The Company and its subsidiary will be recognized on the percentage of completion which is the revenue recognition standard for subcontracting projects. There will be engineers of the Company to assess the progress of each project on a monthly basis to send an assessment of the progress of the work to the accounting department of the Company to use for recording revenue according to the contract.

2) Revenue from other services such as inspection, repair and maintenance of firefighting systems to customers. The Company and its subsidiary will be recognized when services are

rendered to customers. Most of which are customers at the Company or its subsidiary are the contractors for the installation of the project or are the seller of firefighting equipment or fire suppression systems. The Company and its subsidiary provide maintenance services and maintain the fire suppression system after the installation is completed for 1 year or following the term of reference (TOR) to maintain the complete fire suppression system according to safety standards. This customer group entrusts the Company and its subsidiary to maintain the fire extinguishing system on a year-to-year contract because the Company is an expert in fire suppression systems and has expertise including good understanding of the installed fire extinguishing system.

Revenue ratios from project works and services categorized by customer groups for the year 2019-2021

Customer Group	2019	2020	2021
1.Designer and contractor of fire protection system	82%	78%	68%
2.Project owners or end users	18%	22%	29%
3.Shop group or product distributors	0%	0%	3%
Total	100%	100%	100%

The Company and its subsidiary had revenue from projects and services in 2019, 2020, and 2021 equal to Baht 336.70 Million, Baht 337.84 Million, and Baht 445.17 Million, or accounted for 32.82% , 37.24% , and 44.28% of total sales and services revenue in each year, respectively. The increase and decrease of revenue from project works and services depended on the number of projects and the cost of projects for the installation systems related to fire suppression each year.

In 2019, the Company and its subsidiary had revenue from projects and services equal to Baht 336.70 Million or accounted for 32.82% of total sales and service revenue which decreased from the same period of 2018 equal to Baht 27.77 Million or a decrease of 7.62%. Because the said revenue depended on the value of projects for the installation of fire suppression systems and the progress of fire suppression installation. There was also a result of the Company's adoption of new financial reporting standards in 2019, but during the year, the Company continued to carry out the installation from the high-voltage power station project of the Electricity Generating Authority of Thailand at various power stations such as Chatuchak, Chachoengsao, Bang Pakong, Prachinburi, Chum Phae, Lamphun, Phatthalung, Khlong Ngae, and Phuket, etc. Moreover, there were the sugar factory projects, sky train station, including private sector works, etc. The revenue from project works and revenue from other services accounted for approximately 93.95% and 6.05% of revenue from project works and services, respectively.

In 2020, the revenue from project works and services increased from 2019 at 0.34%, from Baht 336.70 Million to Baht 337.84 Million because the Company recognized the revenue from the service of inspection and maintenance of firefighting equipment and systems related to fire suppression (Preventive Maintenance) in 2020 equal to Baht 8.09 Million with the increase of Baht 3.86 Million from the projects that had due on the schedule of services from related projects as the Company had adopted new financial reporting standards to practice in 2019. The revenue from project works in 2020 decreased by 2.11% from 2019, equal to Baht 6.67 Million. Such revenue will depend on the work value of the project for the installation of fire suppression systems and the progress of the installation of fire suppression systems. but during the year, the Company continued to carry out the installation from the high-voltage power station project of the Electricity Generating Authority of Thailand at various power stations such as Chatuchak, Kabin Buri, Prachin Buri, Pluak Daeng, Saraburi, Khon Kaen, Tha Li, Chiang Mai, Chom Bueng, Bang Saphan and Phuket, etc. Moreover, there was the sugar factory project including private sector works, etc. The revenue from project works and revenue from other services

accounted for approximately 91.66 % and 8.34% of revenue from project works and services, respectively.

In 2021, the revenue from project works and services increased from 2020 with a value of Baht 107.33 Million or calculated to 31.77 %, from Baht 337.84 Million to Baht 445.17 Million because the Company has installed and the progress percentage of more work from taking on many large projects such as the project for the distribution of lubricant products (PTT Lubricant), the electric train assembly plant project, plastic pellet plant project, rubber glove factory project, and high voltage power station project.

Other revenue

In 2019, 2020, and 2021, the Company and its subsidiary had other revenue equal to Baht 12.44 Million, Baht 6.96 Million, and Baht 5.45 Million, respectively. Other revenue consisted of profit and loss on the exchange rate, interest received from financial institutions, compensation, profit from the disposal of assets, income from renting, and other revenue, etc.

In 2019, the Company and its subsidiary reported an increase in other revenue from 2018 equal to Baht 1.84 Million or 17.36% increased from foreign exchange gain and received the compensation. The interest revenue of the Company decreased because the Company used the cash received from the initial public offering (IPO) to purchase land for the construction of a warehouse with an area of about 9 rai.

In 2020, the Company and its subsidiary reported a decrease in other revenue from 2019 equal to Baht 5.48 Million or 44.05% decrease mainly due to foreign exchange gain. The interest revenue decreased because the Company used the cash received from the initial public offering (IPO) for the construction of warehouses which would be available at the end of December 2020

In 2021, the Company and its subsidiary reported a decrease in other revenue from 2020 by Baht 1.51 Million, or a decrease of 21.70% decrease mainly due to foreign exchange gain.

Cost of sales and services and gross profit

Cost of sales and services

In 2019, 2020, and 2021, the Company and its subsidiary had the cost of sales and services equal to Baht 753.19 Million, Baht 682.49 Million, and 776.29 Million Baht, or equivalent to 73.42%, 75.23%, and 77.21% of total sales and service revenue for each year, respectively. They consisted of cost of sales and the cost of project works and services corresponding to the type of revenue as follows:

	2019		2020		2021	
	Million Baht	cost rate	Million Baht	cost rate	Million Baht	cost rate
Cost of sales	489.49	71.03%	403.49	70.87%	411.50	73.44 %
Cost of project works and services	263.70	78.32%	279.00	82.58%	364.79	81.94 %
Total cost	753.19		682.49		776.29	

Cost of sales

In 2019, 2020, and 2021, the Company and its subsidiary had the cost of sales equal to Baht 489.49 Million, Baht 403.49 Million, and Baht 411.50 Million, respectively, with the ratio of cost of sales to sales revenue equal to 71.03 %, 70.87 %, and 73.44 %, respectively. Cost of sales consisted of cost of sold fire extinguishers, import tax, the cost of issuing, product insurance, and wages for assembling products, etc.

In 2019, the Company and its subsidiary had an increase in the cost of sales from the same period of 2018 equal to Baht 32.58 Million or increased by 7.13 % due to the increase in sales revenue from an increasing new customer base.

In 2020, the Company and its subsidiary had a decrease in the cost of sales from the same period of 2019 equal to Baht 86.00 Million or decreased by 17.57 %. Due to the COVID-19 pandemic, many customers have delayed the delivery of products that cannot enter the area to work.

In 2021, the Company and its subsidiary had the cost of sales increased from the same period of 2020 equal to Baht 8 Million or decreased by 1.99 % due to higher steel costs.

Cost of project works and services

In 2019, 2020, and 2021, the Company and its subsidiary had costs from project works and services equal to Baht 263.70 Million, Baht 279.00 Million, and Baht 364.79 Million, respectively, with the ratios of cost to revenue from project works and services equal to 78.32 %, 82.58 %, and 81.94 %, respectively. The cost of project works and services consisted of the cost of firefighting equipment installed for project works, labor costs for outsourcing, the salary of the engineering and design department, cost of service, repair and maintenance of fire extinguishing systems, insurance premiums for maintenance work, and wages for project works, etc.

In 2019, the Company and its subsidiary had costs from project works and services decreased from the same period of 2018 equal to Baht 14.04 Million or decreased by 5.06% because the said revenue depending on the work value of the project for the installation of fire suppression systems and progress of the installation of fire suppression systems.

In 2020, the Company and its subsidiary had costs from project works and services increased from the same period of 2019 equal to Baht 15.30 Million or increased by 5.80% depending on the value of the work and the type of project for the installation of fire extinguishing systems including subcontractor costs and other increased costs.

In 2021, the Company and its subsidiary had costs from project works and services increased from the same period of 2020 equal to Baht 85.79 Million or increased by 30.75%. Increased costs were due to higher sales from the value of the work and the success of the work during that period was higher compared to the same period of the previous year.

Gross profit and gross margin

	2019		2020		2021	
	Million Baht	Profit rate	Million Baht	Profit rate	Million Baht	Profit rate
Gross profit from sales	199.67	28.97%	165.87	29.13%	148.79	26.56%
Gross profit from services	73.00	21.68%	58.84	17.42%	80.38	18.06%
Total gross profit	272.67	26.58%	224.71	24.77%	229.17	22.79%

The Company and its subsidiary had the gross profit in 2019, 2020, and 2021 equal to Baht 272.67 Million, Baht 224.71 Million, and Baht 229.17 Million, or accounted for the gross profit margin of 26.58%, 24.77%, and 22.79% of revenue from sales and services each year, respectively.

In 2019, 2020, and 2021, the Company and its subsidiary had the gross profit from sales of Baht 199.67 Million, Baht 165.87 Million, and Baht 148.79 Million, or accounted for the gross profit margin from sales of 28.97%, 29.13%, and 26.56%, respectively.

In 2019, the gross profit margin from sales decreased 2018 as a result of the decrease in the gross profit per sale of products due to competitive conditions.

In 2020, the gross profit margin from sales increased from 2019 as a result of the gross profit per sale of products, the importing costs of the firefighting equipment at the time that was sold during the year.

In 2021, the gross profit margin from sales decreased from 2020 as a result of the business competition, which caused the gross profit in the revenue from sales in this year to decrease.

In 2019, 2020, and 2021, the Company and its subsidiary had the gross profit from services of Baht 73.00 Million, Baht 58.84 Million, and Baht 80.38 Million, respectively, or accounted for the gross margin from services equal to 21.68%, 17.42%, and 18.06 %, respectively.

The gross margin from services in 2019 decreased from 2018 because of the lower revenue from project works and services depending on the value of the project for the installation of fire suppression systems and the progress of the installation of fire extinguishing systems. In addition, the Company had adopted new financial reporting standards to be implemented in 2019 including the cost of subcontractors and other increased costs.

The gross margin from services in 2020 decreased from 2019 because the revenue from project works and services depended on the value of the work and the type of installation of fire suppression systems including subcontractor costs and other increased costs.

The gross margin from services in 2021 increased from 2020 because of the decrease in the ratios of labor costs.

Distribution costs and administrative expenses

	2019		2020		2021	
	Million Baht	% per revenue	Million Baht	% per revenue	Million Baht	% per revenue
Distribution costs	76.58	7.38%	74.57	8.16%	66.07	6.54 %
Administrative expenses	65.54	6.31%	71.05	7.77%	94.95	9.39 %
Total	142.12		145.62		161.02	

The Company and its subsidiary had distribution costs and administrative expenses in 2019, 2020, and 2021 equal to Baht 142.12 Million, Baht 145.62 Million, and Baht 161.02 Million, or accounted for 13.69%, 15.93% and 15.93% of total revenues, respectively, with details of changes in distribution costs and administrative expenses as follows:

Distribution costs

The Company and its subsidiary had distribution costs in 2019, 2020, and 2021 equal Baht 76.58 Million, Baht 74.57 Million, and Baht 66.07 Million, or accounted for 7.38%, 8.16%, and 6.54% of total sales and service revenue for each year, respectively. Major distribution costs were salaries and benefits for sales and warehouse employees, commission fee, freight fee, fuel fee, travel expenses, etc. The distribution costs increased in line with the growth of sales revenue. Moreover, the Company and its subsidiary increased sales staff to support the business expansion in the future, this caused the Company to have additional expenses for staff salaries and expenses related to sales personnel.

In 2018 and 2019, the cost of distribution increased when compared to the same period of the previous year equal to Baht 6.51 Million and Baht 6.40 Million or an increase of 10.22% and 9.12% , respectively. In 2020, the cost of distribution decreased when compared to the same period of the previous year equal to Baht 2.01 Million or a decrease of 2.62%.

In 2019, the Company had set the estimate of employee benefits after retirement according to the severance payment under the Labor Law, which offered the right to the employee that retired and worked in a specified period according to the Labor Protection Act (No. 7) B.E. 2562.

In 2020, the cost of distribution decreased in line with the decrease in total sales and service revenue Due to the COVID-19 pandemic, many customers have delayed the delivery of products that cannot enter the area to work.

In 2021, the cost of distribution has decreased in the cost of salary payments for employees and expenses related to sales personnel.

Administrative expenses

The Company and its subsidiary had administrative expenses in 2019, 2020, and 2021 equal to Baht 65.54 Million, Baht 71.05 Million, and Baht 94.95 Million or accounted for 6.31%, 7.77%, and 9.39% of total sales and service revenue for each year, respectively. The main administrative expenses consisted of salaries and benefits for employees, office utilities, property depreciation, amortization of intangible assets, warehouse rental fee, office rental fee, etc.

In 2019, the administrative expenses increased from 2018 by Baht 7.82 Million, or an increase of 13.55%, mainly as a result of the event that the Company had estimated employee benefits after retirement according to the labor law severance payment, which offered the right to the employee that retired and worked in a specified period according to the Labor Protection Act (No. 7) B.E. 2562 and set up an allowance for loss from the devaluation of obsolete and slow-moving inventory, etc.

In 2020, administrative expenses increased from 2019 by Baht 5.51 Million, or an increase of 8.41% mainly from expenses related to the new office of the Company, amortization of intangible assets, ERP program, asset depreciation recognized by the Company under the Lease Agreement following the financial reporting standards No.16 on leases which determined that a lessee is required to recognize assets and liabilities for all leases with a lease term of more than 12 months unless the underlying asset is of low value.

In 2021, administrative expenses increased by Baht 23.90 Million, or an increase of 33.64%. Most of them were an increase in bad debt write-off, an allowance for obsolete and slow-moving inventory, losses on exchange rate, administrative expenses, property depreciation, and amortization of assets, etc.

Financial cost

In 2020, the financial cost of Baht 1.68 Million arose from the lease liabilities according to financial reporting standards No.16 on leases which determined that a lessee is required to recognize assets and liabilities for all leases with a lease term of more than 12 months unless the underlying asset is of low value.

In 2021, the financial cost of Baht 4.24 Million arose from the lease liabilities according to financial reporting standards No.16 on leases and interest expenses to financial Institutions.

Expected credit losses

In 2019, 2020, and 2021, The Company and its subsidiary had losses on impairment of financial assets equal to Baht 0.70 Million, Baht 8.92 Million, and Baht 13.56 Million or accounted for 0.07%, 0.98%, and 1.34% of the revenue from sales and services consolidated each year, respectively. The financial expected credit losses were the allowance for doubtful accounts. The Company and its subsidiary had the policy to set aside 100% allowance for doubtful accounts from the balance of trade accounts receivable with overdue of 1 year or more, or debtors who were likely to be unable to pay their debts or account receivables according to judgments, including using the Simplified Model calculation in accordance with financial reporting standards No.9 “Financial Instrument”.

Net profit and net profit margin

In 2019, 2020, and 2021, the net profit attributable to the Company was Baht 114.60 Million, Baht 60.53 Million, and Baht 44.02 Million or accounted for the net profit margin of 11.04 %, 6.62 %, and 4.35% of total revenue for each year, respectively.

In 2019, the net profit decreased from 2018 by Baht 15.61 Million or 11.99 % , mainly from the gross profit per sale of products that decreased according to the condition of competition. There was also the effect of the event that the Company and its subsidiary had adopted new financial reporting standards to be practiced in 2019. The Company had estimated employee benefits after retirement according to the labor law severance payment, which offered the right to the employee that retired and worked in a specified period according to the Labor Protection Act (No. 7) B.E. 2562 and set up an allowance for loss from the devaluation of obsolete and slow-moving inventory, etc.

In 2020, profitability decreased from 2019 by Baht 54.07 Million or a decrease of 47.18%. Due to the COVID-19 pandemic, many customers have delayed the delivery of products that cannot enter the area to work. There were also expenses related to the new office of The Company, amortization of intangible assets, ERP program, and the Company set up an additional allowance for doubtful accounts for debtors that were expected to be unable to collect the debts due to customers being affected by the COVID-19 pandemic. This caused delays in payment including the depreciation of assets recognized by the Company following the Lease Agreement due to the Company's adoption of new financial reporting standards, etc.

In 2021, profitability decreased from 2020 by 16.51 Baht Million, or a decrease of 27.28% due to the COVID-19 pandemic and increased expenses as per the reasons mentioned above.

Assets

Total assets of the Company and its subsidiary as of December 31st, 2019, 2020, and 2021 were equal to Baht 934.10 Million, Baht 1,045.26 Million, and Baht 1,086.39 Million, respectively with significant changes in assets as follows:

Current assets

The Company and its subsidiary had current assets as of December 31st, 2019, 2020, and 2021 equal to Baht 746.77 Million, Baht 691.16 Million, and Baht 728.74 Million or 79.94%, 66.12%, and 67.08 % of total assets each year with significant changes in assets as follows:

- Cash and cash equivalents

As of December 31st, 2019, 2020, and 2021, the Company and its subsidiary had cash and cash equivalents equal to Baht 116.49 Million, Baht 37.30 Million, and Baht 17.41 Million, respectively.

Decreased cash and cash equivalents at the end of 2019 were from the event that the Company used cash received from Initial Public Offering (IPO) to purchase land for the construction of a warehouse with an area of approximately 9 rai, including had invested in ERP software to use in internal management for supporting the expansion of the Company according to the structure that was wanted to grow faster.

Decreased cash and cash equivalents at the end of 2020 were from the event that the Company used cash received from Initial Public Offering (IPO) to construct a warehouse which would be available at the end of December 2020, including investing in the renovation of the Company's new office building for providing more usable space to support business growth.

Decreased in cash and cash equivalents at the end of 2021 were from the event that the Company used cash and cash equivalents in the business circulation.

- **Trade accounts and other receivables**

As of December 31st, 2019, 2020, and 2021, the Company and its subsidiary had trade and other receivables equal to Baht 204.76 Million, Baht 246.28 Million, and Baht 234.63 Million, respectively with details of trade and other receivables as follows:

(Unit : Million Baht)	December 31st, 2019	December 31st, 2020	December 31st, 2021
Trade receivables			
Current	115.14	127.38	121.63
Overdue			
Less than or equal to 3 months	58.32	70.43	76.39
Over 3 months up to 6 months	8.62	25.21	16.64
Over 6 months up to 12 months	12.12	7.68	18.14
Over 12 months	9.46	14.34	21.40
Total trade accounts receivable	203.66	245.04	254.20
Less Allowance for expected credit losses	(9.46)	(17.12)	(28.27)
Total trade accounts receivable - net	194.20	227.92	225.93

(Unit : Million Baht)	December 31st, 2019	December 31st, 2020	December 31st, 2021
Other receivables			
Prepaid expenses	8.34	14.15	5.99
Other	2.22	5.25	6.10
Total other debtors	10.56	19.40	12.09
Less Allowance for expected credit losses	-	(1.04)	(3.39)
Total other receivables - net	10.56	18.36	8.70
Total trade and other receivables	204.76	246.28	234.63

Trade accounts receivable

As of December 31st, 2019, 2020, and 2021, the Company and its subsidiary had net trade accounts receivable of Baht 194.20 Million, Baht 227.92 Million, and Baht 225.93 Million, respectively. The Company and its subsidiary had the policy to provide credit terms to customers approximately 30 - 90 days from the delivery date of products or services. Overdue trade accounts receivable from credit terms provided to each customer accounted for approximately 40% of the similar total trade accounts receivable from 2019 to 2021. It was found that the ratios of overdue accounts receivable were not more than three months, accounting for approximately 66 %, 60 %, and 60 % of the value of overdue receivables before deducting an allowance for doubtful accounts at the end of 2019, 2020, and 2021, respectively. Most of them arose from the event that the Company and its subsidiary were in the process of collecting checks following the billing and receipt of checks of each account receivable which usually will not exceed 2-4 weeks from the billing due date. The Company and its subsidiary had the policy to suspend credit sales to trade accounts receivable overdue for more than 12 months if it was determined that trade accounts receivable were likely to be unable to pay their debts and strictly follow up on debt repayment. The Company had the policy to consider setting up an allowance for doubtful accounts at 100% from the balance of trade accounts receivable that were overdue for more than 1 year, or trade accounts receivable that were likely to be unable to pay debts, or accounts

receivable according to the judgment including using the Simplified Model calculation in accordance with financial reporting standards No.9 “Financial Instrument”. As of December 31st, 2019, 2020, and 2021, the Company and its subsidiary had the allowance for doubtful accounts equal to Baht 9.46 Million, Baht 17.12 Million, and Baht 28.27 Million, respectively.

- **Contract assets**

As of December 31st, 2019, 2020, and 2021, the Company and its subsidiary had contract assets which such items were the value of completed work but not yet collected of Baht 113.20 Million, Baht 60.29 Million, and Baht 86.56 Million, respectively. The value of the completed work but not yet collected due to the recognition of project revenue according to the stage of completion of the project (Percentage of Completion), but it was not yet the deadline to be able to issue the invoice for collection.

- **Inventory**

As of December 31st, 2019, 2020, and 2021, the Company and its subsidiary represented the value of inventory at weighted average cost or net realizable value, whichever is lower. Net realizable value was the selling price in the ordinary course of business less marketing and distribution costs necessary to sell products with product details as of December 31st, 2019, 2020, and 2021 as follows:

(Unit : Million Baht)	December 31st, 2019	December 31st, 2020	December 31st, 2021
Finished goods	300.41	331.65	373.31
Goods in transit	20.14	24.44	30.66
Work in process	-	-	0.50
Total	320.55	356.09	404.47
Less Allowance for devaluation of inventories	(9.27)	(10.02)	(14.93)
Total inventory - net	311.28	346.07	389.54

The Company and its subsidiary had inventory-net as of December 31st, 2019, 2020, and 2021 equal to Baht 311.28 Million, Baht 346.07 Million, and Baht 389.54 Million respectively, to adequately support the needs of the sales department according to the target. The Company and its subsidiary shall have inventory sufficient to cover the increased value of firefighting equipment sales and firefighting system projects. The Company and its subsidiary have recorded the allowance for diminution in value of products in 2019, 2020 and 2021 equal to Baht 9.27 Million, Baht 10.02 Million and Baht 14.93 Million, respectively due to the stock of products to satisfy the needs of the customers, some products decay and move slowly, leading stock turnover to be slow.

Inventory included finished product inventory and products in transit that were in the process of being shipped from the manufacturer to the Company and its subsidiary's warehouses. On average, during 2019, 2020, and 2021, finished products would account for approximately 87-94 % of the inventory before deducting allowance for diminution in the inventory. The Company and its subsidiary's average sales periods in 2019, 2020, and 2021 were 128 days, 167 days, and 164 days, respectively. The Company set aside the allowance for diminution in value of products as follows:

1. Set up a reserve for defective products with an allowance for inventory at a rate of 100%.

2. Set aside obsolete and slow-moving inventory and non-moving inventory based on the moving of products from sales as a basis. The Company and its subsidiary divided products into categories such as obsolete products, slow-moving products, etc., and had the policy of

allowance for inventory at various rates according to each product group to reflect the physicality of products as accurately as possible.

- Other current assets

The Company and its subsidiary had other current assets as of December 31st, 2019, 2020, and 2021 equal to Baht 1.04 Million, Baht 1.22 Million, and Baht 0.58 Million, respectively. Other current assets were other deposits, etc.

Non-current assets

The Company and its subsidiary had other non-current assets as of December 31st, 2019, 2020, and 2021 equal to Baht 187.33 Million, Baht 354.10 Million, and Baht 357.65 Million or accounted for 20.06% , 33.88% , and 32.92% of total assets for each year, respectively, with details of each important item as follows:

- Investment Property

As of December 31st, 2021, the Company had investment property which was non-operating land equal to Baht 4.24 Million. The transaction consisted of 4 plots of land that the Company has owned since it was established that shareholders transferred the ownership of the said land for payment of common shares. In 2015, the Company recorded an impairment of one plot of land of Baht 0.33 Million, which was a result of the low value of the land based on the appraised value of the property appraiser. The value of land not used in operations was therefore reduced to Baht 3.91 Million at the end of 2015 and there was no change in such value until the end of 2021. However, the said land had a small area located out of town and it was not in a suitable location for the construction of a warehouse according to the Company's future investment plan. Therefore, the Company currently has no plans to use such land.

- Land, buildings, and equipment

As of December 31st, 2019, 2020, and 2021, the Company and its subsidiary had land, buildings, and equipment equal to Baht 137.56 Million, Baht 242.89 Million, and Baht 243.33 Million, respectively. The land item was for the construction of a warehouse with an area of approximately 9 rai using investment funds from the cash received from the initial public offering (IPO). For building item and building improvements, they were the item of warehouses that was constructed completely and ready for use at the end of December 2020. The item of improvements to the new office building of the Company was such as air conditioning and ventilation systems, power and communications systems, and meeting rooms inside the building, etc. The equipment list consisted of office equipment, office appliance, furnishings, tools, and vehicles. However, the Company and its subsidiary had the policy to depreciate equipment by using the straight-line method throughout benefits of assets.

- Right-of-use assets

As of December 31st, 2020, and 2021, the Company had right-of-use assets equal to Baht 58.19 Million and Baht 55.18 Million, respectively. It was a New Office Building Lease Contract of the Company that the Company recognized as an asset under the lease liability according to financial reporting standards No.16 on leases which determined that a lessee is required to recognize assets and liabilities for all leases with a lease term of more than 12 months unless the underlying asset is of low value.

- Intangible assets

As of December 31st, 2019, 2020, and 2021, the Company had intangible assets of Baht 14.42 Million, Baht 10.04 Million, and Baht 5.24 Million, respectively. The Company's

intangible assets included various computer programs. In 2019, the Company invested in ERP software to use in internal management for supporting the expansion of the Company according to the structure that was wanted to grow faster.

Liabilities

Total liabilities of The Company and its subsidiaries as of December 31st, 2019, 2020, and 2021 equal to Baht 199.54 Million, Baht 315.80 Million, and Baht 335.61 Million or accounted for 21.36%, 30.21%, and 30.89% of total assets each year, respectively. Changes in significant liabilities are as follows:

Current liabilities

The Company and its subsidiary had current liabilities as of December 31st, 2019, 2020, and 2021 equal to Baht 179.41 Million, Baht 234.60 Million, and Baht 251.66 Million or accounted for 19.21%, 22.45%, and 23.16% of total assets for each year, respectively. Details of each important item were as follows:

- Bank overdrafts and short-term loans from financial institutions

As of December 31st 2019, 2020, and 2021, the Company and its subsidiaries had total credit facilities with various financial institutions of Baht 189.39 Million for use as working credit lines in the business. As of December 31st, 2020, and 2021, the Company remained liabilities of short-term loans from financial institutions as promissory notes equal to Baht 6.15 Million and Baht 51.71 Million, respectively.

- Trade and other payables

As of December 31st, 2019, 2020, and 2021, the Company and its subsidiaries had trade and other payables equal to Baht 133.36 Million, Baht 196.43 Million, and Baht 157.35 Million, respectively. Details of trade and other payables were as follows:

(Unit : Million Baht)	December 31st, 2019	December 31st, 2020	December 31st, 2021
Trade Payable	102.26	137.36	127.36
Other payables			
Accrued expenses	12.18	14.20	15.26
Payable from the purchase of assets	9.00	27.51	1.68
Retention payables	4.19	11.93	8.95
Others	5.73	5.53	4.10
Total other payables	31.10	59.07	29.99
Total trade and other payables	133.36	196.43	157.35

Accounts Payable

Trade accounts payable included domestic trade payable and foreign trade payable incurred from purchases of products used in sales and projects of the Company and its subsidiary for trade accounts payable to related parties arising from the purchase of Personal Protection Equipment (PPE) to bring to be sold together with the sales of firefighting equipment and for use in the projects of the Company and its subsidiary. Because Customers requested the Company and its subsidiary to be a provider. As of December 31st, 2019, 2020, and 2021, the Company and its subsidiaries had trade accounts payable equal to Baht 102.26 Million, Baht 137.36 Million, and Baht 127.36 Million, respectively. The Company and its subsidiary's average sales periods in 2019, 2020, and 2021 were 50 days, 63 days, and 61 days, respectively.

Other creditors

Most of The Company's other payables were accrued commission, accrued expenses, payable from the purchase of assets, retention payable, and other payables, such as withholding tax payable, creditors of the Revenue Department, and accrued dividends, etc. As of December 31st, 2019, 2020, and 2021, the Company and its subsidiaries had other payables equal to Baht 31.10 Million, Baht 59.07 Million, and Baht 29.99 Million, respectively.

- List of liabilities that arose from contracts

As of December 31 st, 2019, 2020, and 2021, the Company and its subsidiaries had contract liabilities equal to Baht 36.95 Million, Baht 25.60 Million, and Baht 36.90 Million, respectively. Items of liabilities that arose from the contract were the obligation of the Company to transfer products or services to customers for which the Company had received (or the amount entitled to claim) compensation from customers, i.e. income received in advance.

Non-current liabilities

The Company and its subsidiary had non-current liabilities as of December 31 st, 2019, 2020, and 2021 equal to Baht 20.13 Million, Baht 81.20 Million, and Baht 83.95 Million, or accounted for 2.15%, 7.76 %, and 7.73 % of total assets for each year, respectively. Details of each important item were as follows:

- Lease liabilities

As of December 31st, 2020, and 2021, the Company and its subsidiaries had lease liabilities equal to Baht 56.79 Million, and Baht 54.65 Million, respectively. Lease liabilities due within one year were to Baht 2.05 Million and Baht 2.83 Million listed under current liabilities. As for liabilities under the Lease Agreement, it was the Lease Agreement of the new office building of the Company that was recognized as liabilities under the Lease Agreement following the financial reporting standards No.16 on leases which determined that a lessee is required to recognize assets and liabilities for all leases with a lease term of more than 12 months unless the underlying asset is of low value.

- Provisions for employee benefits

As of December 31st 2019, 2020, and 2021, the Company and its subsidiaries had provisions for employee benefits equal to Baht 16.93 Million, Baht 21.00 Million, and Baht 25.66 Million, respectively. For the employee benefit provisions, the Company and its subsidiary had set the estimate of employee benefits after retirement according to the severance payment under the Labor Law, which offered the right to the employee that retired and worked in a specified period according to the Labor Protection Act (No. 7) B.E. 2562 and financial reporting standards No. 19 on employee benefits.

- Other non-current liabilities

As of December 31st 2019, 2020, and 2021, the Company and its subsidiaries had other non-current liabilities of Baht 3.20 Million, Baht 3.41 Million, and Baht 3.64 Million, respectively. Other non-current liabilities of The Company and its subsidiary were security deposits and damage insurance.

Shareholders' equity

Shareholders' equity of The Company as of December 31st 2019, 2020, and 2021 were equal to Baht 734.56 Million, Baht 729.46 Million, and Baht 750.78 Million, or 78.64%, 69.79, and 69.11 of total assets for each year, respectively. Change Items of major shareholders' equity were as follows:

Registered and paid-up capital

On July 25th, 2017, the Company received money from the initial public offering (IPO) of Baht 442.50 Million (150 Million newly issued ordinary shares sold at the price of 2.95 Baht per share), recorded as a share capital of Baht 75.00 Million and premium on share of Baht 346.48 Million (net of expenses for the issuance of ordinary shares of approximately Baht 21 Million). The Company registered the increase of paid-up capital with the Ministry of Commerce on July 25th, 2017. As a result, the registered and fully paid-up capital was Baht 300.00 Million, and the Stock Exchange of Thailand has issued an order accepting ordinary shares of the Company as listed securities on July 27th, 2017.

As of December 31st, 2019, 2020, and 2021, the Company and its subsidiaries had the registered and paid-up capital of Baht 300.00 Million, issued and paid-up ordinary shares equal to 600,000,000 shares with a par value of 0.50 Baht per share.

Retained earnings

As of December 31st 2019, 2020, and 2021, the Company and its subsidiaries had retained earnings as the legal reserve of Baht 28.70 Million, Baht 30.00 Million, and Baht 30.00 Million, respectively, and also had unappropriated retained earnings of Baht 59.28 Million, Baht 52.88 Million, and Baht 72.90 Million, respectively.

In 2019, the Annual General Meeting of Shareholders for the year 2019 on March 28th, 2019 had the resolution to approve the payment of dividends for 2018 of Baht 66.00 Million. Such dividends were paid to shareholders on April 26th, 2019. The Board of Directors Meeting of the Company No. 4/2019 on August 8th, 2019 resolved to approve the payment of interim dividends to shareholders of Baht 42.00 Million. Such dividends were paid to shareholders on September 6th, 2019. Consequently, this would result in a decrease in unallocated retained earnings and cash of Baht 108.00 Million from the aforementioned dividend payment.

In 2020, the Board of Directors Meeting No. 2/2020 on March 30th, 2020 approved the additional interim dividend payment from the 2019 operating results of 54.00 Million. Such dividends were paid to shareholders on April 29th, 2020 and the Board of Directors' meeting of the Company No. 4/2020 on August 14th, 2020 had the resolution to approve the interim dividend payment to shareholders of Baht 12.00 Million. The aforementioned dividend was paid to shareholders on September 11th, 2020. Consequently, this would result in a decrease in unallocated retained earnings and cash of Baht 66.00 Million from such dividend payment.

In 2021, the Annual General Meeting of Shareholders for the year 2021 on April 5th, 2021 had the resolution to approve the dividend payment from the 2020 operating results of Baht 24.00 Million on April 30th, 2021. Consequently, this would result in a decrease in unallocated retained earnings and cash of Baht 24.00 Million from such dividend payment.

Financial structure ratios

As of December 31st, 2019, 2020, and 2021, the Company and its subsidiary had a debt to equity ratio of 0.27 times, 0.43 times, and 0.45 times, respectively.

The ratio of 2019 increased from 2018 as a result of the cumulative revenue awaiting recognition from the change in accounting policy due to the adoption of new financial reporting standards. The Company had adopted financial reporting standard No.15 on revenue from contracts with customers to be practiced in 2019. The Company had estimated employee benefits after retirement according to the labor law severance payment, which offered the right to the employee that retired and worked in a specified period according to the Labor Protection Act (No. 7) B.E. 2562.

The ratio of 2020 increased from the year 2019 because in 2020 the Company's liabilities increased from the warehouse construction payable. The Company recorded the liabilities under the Lease Agreement according to financial reporting standards No.16 on leases which determined that a lessee is required to recognize assets and liabilities for all leases with a lease term of more than 12 months unless the underlying asset is of the low value.

The ratio of 2021 increased slightly from 2020 because the Company had short-term loans from financial institutions to settle trade accounts payable and liabilities arising from the advance payment contracts that had not yet been serviced. In addition, the Company had increased unallocated retained earnings as well.

Liquidity

As of December 31st, 2019, 2020, and 2021, the Company and its subsidiary have current assets of Baht 746.77 Million, Baht 691.16 Million, and Baht 728.74 Million, respectively. While current liabilities were Baht 179.41 Million, Baht 234.60 Million, and Baht 251.66 Million, respectively. It was found that the Company had liquidity ratios of 4.16 times, 2.95 times, and 2.90 times, respectively. If considering the quick liquidity ratios, they were 2.42 times, 1.47 times, and 1.35 times, respectively.

In 2019, the liquidity ratio and the quick ratio decreased as the Company used the cash received from the initial public offering (IPO) to buy the land for the construction of a warehouse with an area of about 9 rai including investing in ERP software to help in management within the organization to support the expansion of the Company according to the structure that wanted to grow faster. However, the liquidity remained at a good level.

In 2020, the liquidity ratio and the quick ratio decreased due to the slower payment of the debt from customers and the Company's warehouse construction by using the cash received from the initial public offering (IPO) to increase competitiveness including supporting the expansion of The Company according to the structure that wanted to grow faster and had the sustainable growth.

In 2021, the liquidity ratio and the quick-current ratio decreased due to the slower payment of the debt from customers due to the COVID-19 pandemic, some debtors delayed their payments.

Based on the cash cycle ratios for 2019, 2020, and 2021, it was found that the Company and its subsidiary had cash cycle ratios of 192 days, 227 days, and 218 days, respectively because of the sales of firefighting equipment, fire suppression system accessories, and automatic fire suppression systems, including the service of projects for the installation of firefighting systems and fire alarm systems with a long delivery period. As a result, the average sales period was high. In addition, the average collection period of the Company and its subsidiary used internal cash flows as working capital at the end of 2019. The Company and its subsidiary had no outstanding liabilities, bank overdrafts, and short-term loans from financial institutions at the end of 2020 and 2021. The Company had debt obligations on short-term loans from financial institutions as promissory notes of Baht 6.15 Million and Baht 51.70 Million, respectively.

Cash flow

Cash flow from operating activities

In 2019, 2020 and 2021, there were cash flows from (used in) operating activities equal to Baht 84.56 Million, Baht 70.88 Million, and Baht (4.46) Million Baht, respectively, mainly due to profitable operating results. But in 2021, it had lower profits, and less debt collection than the cash flow required to pay off debts.

Cash flow from investing activities

In 2019, the net cash flow used in investing activities was Baht 132.84 Million which was a purchase of land for the construction of a warehouse with an area of approximately 9 rai. The Company used the said investment from the cash received from the initial public offering (IPO). The Company also had invested in ERP software to manage the organization for supporting the expansion of the Company according to the structure that wanted to grow faster.

In 2020, net cash flow used in investing activities was Baht 87.27 Million which was the warehouse construction that was completed and ready for use at the end of December 2020. Such investment funds were the cash received from the initial public offering (IPO) to increase

competitiveness including supporting the expansion of the Company and sustainable growth the Company had invested in the renovation of the Company's new office building to provide more usable space to support business growth.

In 2021, the net cash flow used in investing activities was Baht 32.11 Million which was the construction of factory buildings, some warehouse construction, purchasing tools and equipment to support business growth.

Cash flow from financing activities

In 2019, there was a net cash flow used in financing activities that were a dividend payment of Baht 107.98 Million. In 2020, the net cash flow used in financing activities was Baht 62.80 Million. In 2021, net cash flow was Baht 16.68 Million. During the year, the Company asked for credit lines and used them from financial institutions as promissory notes.

In 2019, 2020, and 2021, there was a net decrease in cash and cash equivalent of Baht 156.26 Million, Baht 79.19 Million, and Baht 19.89 Million, respectively, according to the reason mentioned above.

4.2 Financial position and operating results

4.2.1 Important financial information

1. Opinion of the auditor

The auditor's opinion on the consolidated and separate financial statements of Firetrade Engineering Public Company Limited for the fiscal year 2019, 2020, and 2021 can be summarized as follows:

Financial statement period	Auditor	Opinion of the auditor
12-month period ended as of December 31st, 2019	Mr. Prawit Wiwanthananut, Certified Public Auditor No. 4917 from PV Audit Company Limited (an auditor approved by the SEC)	Correct statement of financial position as of December 31st, 2019 in the essence according to the financial reporting standards
12-month period ended as of December 31st, 2020	Mr. Prawit Wiwanthananut, Certified Public Auditor No. 4917 from PV Audit Company Limited (an auditor approved by the SEC)	Correct statement of financial position as of December 31st, 2020 in the essence according to the financial reporting standards
12-month period ended as of December 31st, 2021	Mr. Prawit Wiwanthananut, Certified Public Auditor No. 4917 from PV Audit Company Limited (an auditor approved by the SEC)	Correct statement of financial position as of December 31st, 2021 in the essence according to the financial reporting standards

2. Financial Position and Operating Result

(Unit : In Million Baht)

Summarize statements of financial position	Consolidated financial statements		Consolidated financial statements		Consolidated financial statements	
	"Audited"		"Audited"		"Audited"	
	2019	%	2020	%	2021	%
Cash and cash equivalents	116.49	12.47%	37.30	3.57%	17.41	1.60%
Trade and other receivables	204.76	21.92%	246.28	23.56%	234.63	21.60%
Contract assets	113.20	12.12%	60.29	5.77%	86.58	7.97%
Inventories	311.28	33.32%	346.07	33.11%	389.54	35.86%
Other current assets	1.04	0.11%	1.22	0.11%	0.58	0.05%
Total Current Assets	746.77	79.94%	691.16	66.12%	728.74	67.08%
Deposits at financial institutions under pledge	4.30	0.46%	4.30	0.41%	4.30	0.40%
Investment property	3.91	0.42%	3.91	0.37%	3.91	0.36%
Property, plant and equipment	137.56	14.73%	242.89	23.24%	243.33	22.40%
Right-of-use assets	-	-	58.19	5.57%	55.18	5.08%
Intangible assets	14.42	1.54%	10.04	0.96%	5.24	0.48%
Deferred tax assets	11.77	1.26%	14.71	1.41%	19.92	1.83%
Other non-current assets	15.37	1.65%	20.06	1.92%	25.77	2.37%
Total Non-Current Assets	187.33	20.06%	354.10	33.88%	357.65	32.92%
Total Assets	934.10	100.00%	1,045.26	100.00%	1,086.39	100.00%
Short-term borrowings from financial institutions	-	-	6.15	0.59%	51.71	4.76%
Trade and other payables	133.36	14.28%	196.43	18.79%	157.35	14.48%
Contract liabilities	36.95	3.96%	25.60	2.45%	30.90	3.40%
Current portion of lease liabilities	-	-	2.05	0.20%	2.83	0.26%
Corporate income tax payable	9.10	0.97%	4.37	0.42%	2.87	0.26%
Total Current Liabilities	179.41	19.21%	234.60	22.45%	251.66	23.16%
Lease liabilities	-	-	56.79	5.43%	54.65	5.03%
Provisions for employee benefits	16.93	1.81%	21.00	2.01%	25.66	2.36%
Other non-current liabilities	3.20	0.34%	3.41	0.32%	3.64	0.34%
Total Non-Current Liabilities	20.13	2.15%	81.20	7.76%	83.95	7.73%
Total Liabilities	199.54	21.36%	315.80	30.21%	335.61	30.89%

Summarize statements of financial position	Consolidated financial statements		Consolidated financial statements		Consolidated financial statements	
	"Audited"		"Audited"		"Audited"	
	2019	%	2020	%	2021	%
Authorized share capital	300.00		300.00		300.00	
Issued and paid-up share capital	300.00	32.12%	300.00	28.70%	300.00	27.61%
Premium on share capital	346.48	37.09%	346.48	33.15%	346.48	31.89%
Surplus from business combination under common control	0.10	0.01%	0.10	0.01%	0.10	0.01%
Surplus from share-based payments	-	-	-	-	1.84	0.17%
Appropriated to legal reserve	28.70	3.07%	30.00	2.87%	30.00	2.76%
Unappropriated	59.28	6.35%	52.88	5.06%	72.90	6.71%
Treasury Shares	-	-	-	-	(0.54)	(0.04)%
Total Shareholders' Equity	734.56	78.64%	729.46	69.79%	750.82	69.11%
Total Liabilities and Shareholders' Equity	934.10	100.00%	1,045.26	100.00%	1,086.39	100.00%

(Unit : In Million Baht)

Summarize statements of cash flows	Consolidated	Consolidated	Consolidated
	financial	financial	financial
	statements	statements	statements
	"Audited"	"Audited"	"Audited"
	2019	2020	2021
Cash flows from operating activities:			
Profit before income tax	142.29	75.45	55.80
Adjustments to reconcile profit before income tax to net cash provided by (used in) operating activities			
Expected Credit losses	0.70	8.92	13.56
Loss on devaluation of inventories (reversal)	3.49	0.75	4.92
Depreciation and amortization	3.56	10.62	15.52
(Gain) loss on disposal of assets	0.15	(0.45)	(0.08)
Unrealized (gain) loss on exchange rate	(0.13)	(1.49)	0.25
Unrealized loss on fair value adjustment	0.05	0.70	0.05
Provisions for employee benefits	6.55	4.52	4.66
Employee joint investment Program	-	-	1.30
Interest income	(1.99)	(0.65)	(0.12)
Interest expense	-	1.68	4.24
Profit from operating activities before changes in operating assets and liabilities	154.67	100.05	100.10
Change in operating assets (increase) decrease			
Trade and other receivables	46.62	(48.74)	(1.79)
Contract assets	(43.56)	52.70	(26.35)
Inventories	(49.88)	(35.55)	(48.38)
Other current assets	0.79	(0.05)	0.74
Deposits at financial institutions under pledge	0.10	-	-
Other non-current assets	(1.13)	(4.81)	(5.80)
Change in operating liabilities increase (decrease)			
Trade and other payables	(11.28)	41.09	(16.01)
Contract liabilities	24.64	(11.35)	11.30
Other non-current liabilities	0.12	0.22	0.22
Cash generated from operations	121.09	93.56	14.02
Income tax paid	(36.53)	(22.68)	(18.48)
Net cash provided by(used in) operating activities	84.56	70.88	(4.46)
Cash flows from investing activities:			
Purchases of assets	(129.48)	(87.93)	(29.04)
Proceeds from disposal of assets	0.02	0.56	0.26
Purchases of intangible assets	(5.37)	(0.56)	(3.45)
Interest received	1.99	0.66	0.12
Net cash provided by (used in) investing activities	(132.84)	(87.27)	(32.11)

(Unit : In Million Baht)

Summarize statements of cash flows	Consolidated	Consolidated	Consolidated
	financial	financial	financial
	statements	statements	statements
	"Audited"	"Audited"	"Audited"
	2019	2020	2021
Cash flows from financing activities:			
Proceeds from short-term borrowings from financial institutions	-	12.38	130.32
Repayments of short-term borrowings from financial institutions	-	(6.23)	(84.76)
Repayments of lease liabilities	-	(1.37)	(1.36)
Interest paid	-	(1.68)	(3.43)
Dividend paid	(107.98)	(65.90)	(24.09)
Net cash provided by (used in) financing activities	(107.98)	(62.80)	16.68
Net decrease in cash and cash equivalents	(156.26)	(79.19)	(19.89)
Cash and cash equivalents at beginning of the year	272.75	116.49	37.30
Cash and cash equivalents at end of the year	116.49	37.30	17.41

3. Key Financial Information

Financial Ratios		2019	2020	2021
Liquidity Ratios				
Liquidity Ratio	times	4.16	2.95	2.90
Quick Ratio	times	2.42	1.47	1.35
Average Collection Period (Including value of unbilled receivable)	days	114	123	115
Average Holding Period	days	128	167	164
Payable Conversion Period	days	50	63	61
Cash Cycle	days	192	227	218
Profitability Ratios				
Gross Profit Margin	%	26.58%	24.77%	22.79%
Operating Profit Margin	%	13.94%	9.49%	7.32%
Net Profit Margin	%	11.04%	6.62%	4.35%
Return on Equity	%	15.51%	8.27%	5.95%
Efficiency Ratios				
Return on Assets	%	12.40%	6.12%	4.13%
Return on Fix Assets	%	103.80%	26.28%	16.73%
Assets Turnover	times	1.12	0.92	0.95
Financial Policy Ratios				
Debt to Equity Ratio	times	0.27	0.43	0.45
Interest Coverage Ratio	times	-	55.69	4.09
Dividend Payout /1	%	93.70%	71.48%	93.81%

Remarks : /1 Dividend Payout Ratio Formula: Yearly Dividend /Net Profit (Separate Financial Statements) after deducting legal reserves as the Company declared to payout dividend for the year 2019, 2020 and 2021 in the amount of Baht 96.00 million, Baht 36.00 million and Baht 33.34 million respectively, while the Company had net profit (Separate Financial Statements) after deducting legal reserves as the Company declared to payout dividend for the year 2019, 2020 and 2021 in the amount of Baht 102.45 million, Baht 50.36 million and Baht 35.54 million respectively.

/2 *For the year 2021, the Board of Directors has resolved to propose to the 2022 Annual General Meeting of Shareholders on April 20th, 2022, to consider and approve a dividend payment to shareholders and cash dividends based on the Company's operating results for the fiscal year 2021; however, the right to receive stock dividends and cash dividends must still be approved by the 2022 Annual General Meeting of Shareholders for the dividend payment.

5. General Information and Referred persons

5.1 General Information

Company's name in English	: Firetrade Engineering Public Company Limited
Symbol	: FTE
Registered Number	: 0107559000397
Type of Business	: Importer and distributor of products related to full range of fire protection services comprise of: 1) Fire protection equipment systems 2) Fire suppression system 3) Fire alarm system including designing, selling, sourcing, installing, examining, repairing and maintaining of fire protection equipment systems and related fire protection systems.
Head Office	: No. 1198/5 Rama 9 Road, Phatthanakan Sub-district, Suanluang District, Bangkok 10250
Tel.	: 02-026-0470-92
Fax.	: 02-026-0499
Website	: www.firetrade.co.th
Industry	: Service
Sector	: Commerce
First Trading Date	: 27 July, 2017
Authorized share capital	: Baht 300 million (Three hundred million baht only)
Issued and paid-up share capital	: Baht 300 million (Three hundred million baht only)
Ordinary shares	: 600 million ordinary shares
Par value	: Baht 0.50 per share

Its subsidiary information

Company's name in Thai	: Fire Inspector Company Limited
Company's name in English	: Fire Inspector Company Limited
Registered Number	: 0105550050195
Type of Business	: Importer and distributor of automatic fire suppression systems including designing, selling, sourcing, installing, examining, repairing and maintainance services related to firefighting system and the Company has been appointed as a distributor of 3 brands at present.
Head Office	: No. 1198/5 Rama 9 Road, Phatthanakan Sub-district, Suanluang District, Bangkok 10250
Tel.	: 02-026-0493-94
Fax.	: 02-026-0499
Authorized share capital	: Baht 10,000,000.00 (Ten million baht only)
Issued and paid-up share capital	: Baht 10,000,000.00 (Ten million baht only)
Ordinary shares	: 100,000 ordinary shares
Par value per share	: Baht 100.00 (One hundred baht only)

5.2 Referred persons:

Auditor	: PV Audit Company Limited No. 100/19, 14th Floor, Vongvanich B Building, Rama 9 Road, Huaykwang District, Bangkok 10310 Tel. 02-645-0080 Fax. 02-645-0020
Internal Auditor	: IVL Auditing Company Limited No. 35, Wachiratham Sathit 36, Sukhumvit 101/1 Road, Bang Chak, Phra Khanong District, Bangkok 1060 Tel. 02-746-4861-3 Fax. 02-746-4569
Securities Registrar	: Thailand Securities Depository Co., Ltd. 1st floor of The Stock Exchange of Thailand building, Tower B, No.93, Ratchadaphisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok, 10400 Tel. 02-009-9000 Fax. 02-009-9991 TSD Call center : 02-009-9999

5.3 Legal dispute

As of December 31st, 2021, the Company and its subsidiary had no legal dispute that would significantly affect the business operations and assets of the Company and its subsidiary for more than 5% of the shareholders' equity.

Part 2

Corporate governance

6. Corporate Governance Policy

The company focuses on the good corporate governance to grow sustainably in the long term. It can create the value for the business and the trust among investors including the good relationship with all involved parties. Therefore, the good corporate governance policy was established as a practice for the Board of Directors, executives and all employees as details in Appendix 5. Moreover, the Securities and Exchange Commission issued the Good Corporate Governance Principles for Listed Companies in 2017 (CG Code) , the Company therefore applied such principles to the Company's business context which the Board of Directors will review every year for adjusting to suit the current situation as details shown in Appendix 5.

6.1 Overview of Corporate Governance Policy and Practice

The Board of Directors emphasizes the great importance on the good corporate governance by setting the goals of the corporate governance policy and important strategies of the company, monitoring, and examining the management's performance according to policies and strategies for the best interests of shareholders including assessing the performance of the business compared to the planned work plan. In addition, the Board of Directors attaches the great importance to the disclosure of sufficient information to shareholders, investors, and all related parties. The disclosed information must be accurate, complete, transparent, thorough and timely, including financial reports, performance, other related information as well as information that affect the company's property price following principles of the good corporate governance. The information and news for shareholders, investors, and related parties were disseminated to use in making decision for the investment through various channels such as delivery of documents by post, disclosure through the company website, and information systems of the Stock Exchange of Thailand.

6.2 Business ethics

The Board of Directors established the principles of business ethics according to the highest ethical standards for other stakeholders. It is important to enhance the image and reputation of the Company. The Board of Directors set up a code of conduct for the Board of Directors, executives, and employees to use as the guideline with responsibility, honesty, fairness, confidentiality, professional morality, and compliance with rules and regulations to create the trust and confidence to all groups of stakeholders and related persons as details in Appendix 5, including the disclosure of compliance with the aforementioned guideline that was disclosed in the Company website : <http://www.firetrade.co.th>.

6.3 Major changes and developments in the policy, guideline, and corporate governance in the past year

6.3.1 Major changes and developments in the policy review, practice, and corporate governance system or charter of the Board of Directors in the past year

During the past year, the Board of Directors held a meeting to review principles of the good corporate governance for listed companies in 2017 (CG Code). The Company has been applied the eight principles of practice with the business context of the Company. However, there were some principles that have not yet been implemented, for example, the Board of Directors has not set a policy for independent directors to be in the position for not more than 9 years because the Board of Directors considered that the Audit Committee of the Company had all qualifications following the Audit Committee Charter of the Company and according to the rules of the SEC and SET. The Audit Committee was the expert with competency and could perform duties as an independent director with the Board of Directors

and the executives efficiently and independently. For the best interest of the Company, the Board of Directors agreed that that independence did not depend on the number of years in the position but based on the knowledge and ability to perform duties independently. In addition, the experiences from holding the position will make you understand the business operation of the Company better. In addition, the Board of Directors assigned the executives to implement the recommendations of the Thai Institute of Directors Association (IOD) from the Corporate Governance Assessment (CGR).

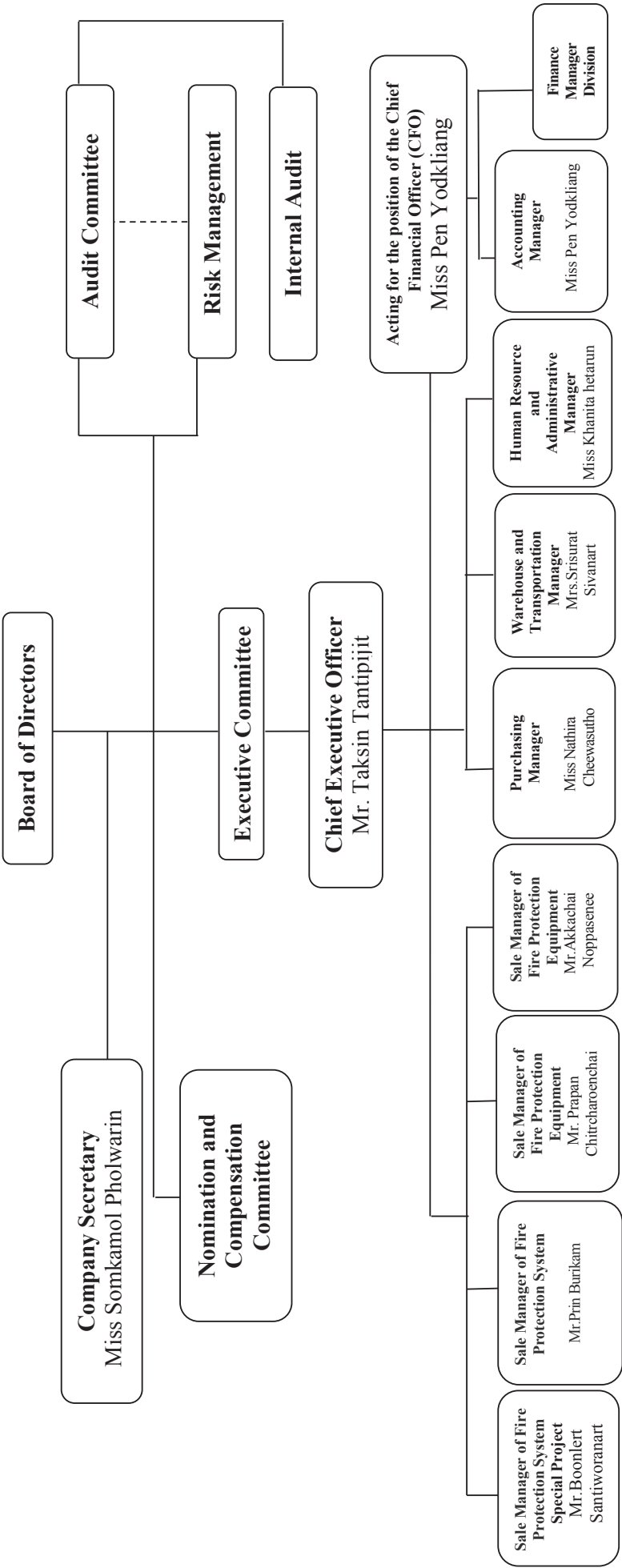
6.3.2 Other practice according to principles of the good corporate governance

The Company was assessed by the Thai Investors Association in organizing the Annual General Meeting of Shareholders for the year 2021 or the AGM Checklist and received an appraisal result of 97.50% . In which the Company has not yet performed or performed incorrectly, it was notified by The Thai Investors Association to conduct an audit to prepare for amendments to the next year's shareholders' meeting.

7. Corporate governance structure and key information about committees, sub-committee, executives, employees and others

7.1 Management Structure

Organization Chart as December 31st, 2021



Remark: All were the Board of Directors according to the Announcement of committee, the Securities and Exchange Commission except company secretary and Finance Manager Division

: The Company appointed IVL Auditing Company Limited to be the internal auditor (as details appeared in Appendix 3).

7.2 Factors of the Board of Directors

7.2.1 The Board of Directors must have factors as follows;

1. The Board of Directors must consist of not less than 5 persons and not less than half of all committee must live in Kingdom of Thailand.
2. The Board of Directors must consist of independent directors at least one-third and not less than 3 persons. The qualification of independent director must be following standard of SET.
3. The Company's directors selected one director from committee who isn't executive to be Chairman of the Board of Directors.
4. The Board of Directors selected one person to work as the Board of Directors' secretary and he/she could also be director or not.

As of December 31st, 2021, the Company's Board of Directors consisted of 7 members: 4 non-executive directors and 3 independent directors. Three executive directors out of 7 directors were 4 males and 3 females.

7.2.2 Information of the Board of Directors and the Company's controllers individually

➤ Board of Directors

As of December 31st, 2021, the Company's Board of Directors consists of 7 members as follows:

No.	Name	Position
1.	Mr. Pornsak Limboonyaprasert	Chairman of the Board of Directors / Chairman of the Audit Committee / Independent Director / Nomination and Compensation Committee
2.	Mr. Taksin Tantipijit	Vice Chairman of the Board of Directors / Nomination and Compensation Committee / Chairman of the Risk Management Committee / Managing Director
3.	Mr. Sirichai Towiriyawate	Director / Audit Committee / Independent Director / Chairman of the Nomination and Compensation Committee
4.	Mr. Worapon Lopansri	Director / Audit Committee / Independent Director
5.	Mrs. Pattamaporn Tantipijit	Director
6.	Miss Nathira Cheewasutho*	Director / Risk Management Committee
7.	Miss Pen Yodkliang	Director

The Company Secretary is Miss Somkamol Pholwarin.

Remark: *Miss Nathira Cheewasutho was appointed on April 6th, 2021.

Authorized Directors

Authorized Directors who shall sign on behalf of the Company with the Company's seal affixed are Mr. Taksin Tantipijit or Mrs. Pattamaporn Tantipijit with the signature of Miss Pen Yodkliang or Miss Nathira Cheewasutho

7.2.3 Duties and Responsibilities of the Board of Directors

1. Work with responsibility, carefulness, honesty and consider benefits of the Company carefully and perform following laws, objectives and regulations of the Company including shareholder's resolution.

2. Have duty on setting vision, policy and operation of the Company including supervise the Executive Committee to operate along specified policy effectively with effectiveness to add highest economic values to shareholders and also sustainable growth.
3. Be always responsible for shareholders. Operate business to maintain benefits of shareholders. Reveal important information to the investors correctly, completely with standard and transparency.
4. The Company's Board of Directors must be knowledgeable and have experiences that would be benefits for running business and are also interested in their Company's operation truly.
5. Evaluate work performance and set compensation of committee and Executive Committee.
6. Be responsible for turnover and performance of the Executive Committee to have intention and work carefully.
7. Control to have clear business target setting that could be measured to be method to set target in operation by considering probability and rationale.
8. Control to run business and operation ethically.
9. Control the Executive Committee to have system to manage risk appropriately and effectively.
10. Consider and judge in important cases such as mega project's policy and business plan, administrative authority and others as specified by law. In case of decision about the acquisition and disposition of assets or related lists, the Board of Directors must follow notification, regulation and/or related rules of the Securities and Exchange Act, notification of the Securities and Exchange Commission and notification of the Stock Exchange of Thailand except that transaction must be approved by shareholder's meeting, the Board of Directors couldn't approve that transaction.
11. Set authority and level of approval in transaction and operating related to Company's work to the group or person appropriately and legally by doing manual of authority and it must be revised at least 1 time per year.
12. Set accounting system of financial report and accounting audit reliably including provide procedure to evaluate suitability of internal control.
13. Appoint auditors and consider yearly audit fees to propose shareholders to consider and nominate.
14. Report responsibility of the Board of Directors in doing financial report by showing it with auditor report in annual report including important matters following code of conduct for Board of Directors of listed company of SET.
15. Control sub-committee performance to work consistent with charter specified.
16. The Board of Directors must evaluate performance by themselves and also evaluate overview of performance.

However, the committee who has gain and loss or conflict of interest or any benefits with the Company, he/she can't vote in that case.

The Board of Director Nomination and Term of Holding

The election of the Board of Directors must be done in shareholder's meeting following regulation as follows:

- 1) One share equals one vote.
- 2) Vote for a director or several directors could be used in election of the Board of Directors as the shareholder's meeting think fit. In each vote, the shareholders must vote with their all vote according to the clause 1 and they can't divide their vote to several candidates. The shareholder can't separate their vote in election according to Section 70 Paragraph 1 of Public Limited Companies Act B.E. 2535 (Non-cumulative vote only).
- 3) Majority vote is used in voting the Board of Directors. If the vote is equal, the Chairman will have casting vote.
- 4) The Board of Directors will hold the positions for 3 years. One year period is from the date of shareholder's ordinary meeting that the Board of Directors is nominated to the

date of shareholder's ordinary meeting in next year. The directors who vacate could be re-elected. Besides retiring by rotation, the directors must retire when;

- (A) Die
 - (B) Resign
 - (C) Be lack of qualification or having qualification prohibited by Public Limited Companies Act.
 - (D) The meeting votes to retire
 - (E) The court orders to retire
- 5) When some directors resign, they could submit their letter of resignation to the office registrar as well.
- 6) The Board of Directors who would be the director of other company must be approved from the Company's Board of Directors.

The Meeting of the Board of Directors

The Meeting of the Board of Directors is as follows:

- 1) The Board of Directors must hold meeting to be informed the Company's operation at least every 3 months. The directors must show their opinions and use discretion independently. The directors should participate in every meeting, besides there is some force majeure that must be informed to the secretary of the Board of Directors in advance, the Company must report the frequency of meeting attending of each director in annual report. The schedule of meeting must be informed in advance and the secretary of the Board of Directors must send invitation letter to all directors to know details of meeting date and agenda. Invitation letter must be sent in advance at least 7 days and the secretary must collect related documents from directors and managing department to send to directors and those documents must give enough information to help the Board of Directors to decide and use discretion independently. The secretary of the Board of Directors must be recorder of the meeting to do the meeting report with complete contents within 15 days the meeting finished to propose to the Chairman of the Company to sign. The good storage system must be provided for easy finding and confidentiality.
- 2) The Board of Directors who has gain and loss in some agenda couldn't vote for that agenda.
- 3) Majority vote must be used in the Board of Directors' meeting. In case that the vote is equal, the Chairman must have casting vote. However, the opinion of other director that disagrees with resolution must be noted in meeting report.

7.3 Information about sub-committees

7.3.1 The structure of the Board of Directors comprises

The structure of the Board of Directors comprises 4 of Sub-Committees groups such as Audit Committee, Executive Committee, Risk Management Committee and Nomination and Remuneration Committee.

The Annual General Meeting of Shareholders for the year 2016 held on April 29th, 2016 and the Board of Directors Meeting No. 1/2016 (after transformation) on August 11th, 2016 resolved to approve the scope of authority of the various committees.

7.3.2 Sub-Committees

➤ Audit Committee

As of December 31st, 2021, the Audit Committee consists of 3 Directors as follows:

No	Name	Position
1.	Mr.Pornsak Limboonyaprasert	Chairman of Audit Committee / Independent Director
2.	Mr.Sirichai Towiriyawate	Audit Committee / Independent Director
3.	Mr.Worapon Lopansri	Audit Committee / Independent Director

Remark: - Audit committee with knowledge and experience in verifying reliability of financial statement is Mr.Pornsak Limboonyaprasert who graduated from Faculty of Commerce and Accountancy, Chulalongkorn University.

- Secretary of Audit Committee is Miss Somkamol Pholwarin.

Duties and responsibility of the Audit Committee

- (1) Review financial report to ensure that it is accurate and reliable including adequate information revealing by coordinating with external auditor and the Executive Committee responsible for doing quarter and annual financial reports.
- (2) Review the Company's internal control system and internal audit system to ensure that they are suitable and effective, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit and may propose to review or examine some necessary and important lists including introducing about resolving important internal control system and necessary to submit to the Board of Directors by reviewing with outside auditor and manager of internal system examination department.
- (3) Review the Company's compliance with the law on securities and exchange or the SET's regulations, policy, rule, regulation and other laws related to the Company's business.
- (4) Consider, select and nominate an independent person to be the Company's auditor and to propose such person's compensation, as well as to attend a non-management meeting with an auditor at least once a year.
- (5) Review plan of Company's internal examination by using methods and accepted standard.
- (6) Review the connected transactions or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the SET's regulations and are reasonable for the highest benefit of the Company.
- (7) Review risk management system of the Company to be suitable and effective.
- (8) Report Audit Committee's performance to the Board of Directors at least 4 times per year.
- (9) Prepare, and disclose in the Company's annual report, an Audit Committee's report which will be signed by the Audit Committee's Chairman and consist of at least the following information;
 - a) An opinion on the accuracy, completeness and creditability of the Company's financial report.
 - b) An opinion on the adequacy of the Company's internal control system.
 - c) An opinion on the compliance with the law on securities and exchange, the SET's regulations, or the laws related to the Company's business.
 - d) An opinion on the suitability of an auditor.
 - e) An opinion on the transactions that may lead to conflicts of interests.
 - f) The number of the Audit Committee meetings, and the attendance of such meetings by each Audit Committee member.
 - g) An opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter.

- h) Other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.
- (10) Give opinion in considering appointing, depriving and evaluating performance of the staff in internal examination department.
- (11) The Audit Committee has authority to invite executive managing department or related staff to share opinion, attend meeting or send related and necessary documents.
- (12) Have authority to employ consultant or outsource person according to the regulation of the Company to give opinion or consult if necessary.
- (13) The Audit Committee must evaluate performance by themselves and report results with problems in working that may be causes they can't achieve objectives in setting Audit Committee to the Board of Directors every year.
- (14) Revise and adjust charter of the Audit Committee.
- (15) Work other jobs the Board of Directors assigns in the scope of duties and responsibilities of Audit Committee.

Terms for holding office of the Audit Committee

- (1) The Audit Committee will hold a position for 3 years. One year period is from the date of shareholder's ordinary meeting that the Audit Committee is nominated to the date of shareholder's ordinary meeting in next year. The committee who vacate could be re-elected. Besides retiring by rotation, the committee must retire when;
 - a) Die
 - b) Resign
 - c) Be lack of qualification of Audit Committee according to charter or regulation of SET
 - d) Terminate from being the Company's committee
- (2) The Audit Committee who wants to resign must submit letter of resignation to the Chairman of the Board of Directors in advance at least 1 month with reason and the Board of Directors must be persons who approve. The Company will inform SET to know with copy of letter of resignation. In case that all Audit Committee retire, the retired Audit Committee must act for original positions until new Audit Committee will be in position.
- (3) In case that Audit Committee position vacates because other reasons except retire by rotation. The Company's Board of Directors must appoint person with complete qualification to be new Audit Committee within 90 days to fulfill the amount of the Audit Committee completely as the Company's Board of Directors specified and replaced person must be in position only in the left period of the old Audit Committee has.

➤ Executive Committee

As of December 31st, 2021, the Executive Committee consists of 6 Directors as follows;

No.	Name	Position
1.	Mr. Taksin Tantipijit	Chairman of the Executive Committee
2.	Mr. Boonlert Santiworanart	Executive Committee
3.	Mr. Prapan Chitcharoenchai	Executive Committee
4.	Miss Khanita Khetarun	Executive Committee
5.	Miss Pen Yodkliang	Executive Committee
6.	Miss Nathira Cheewasutho*	Executive Committee

Remark : *Miss Nathira Cheewasutho was appointed on April 6th, 2021.

Duties and Responsibilities of the Executive Committee

- (1) Control managing of the Company following policy set by the Board of Directors and report performance to the Board of Directors. To run the Executive Committee's meeting, it must have committee to join not less than a half of Executive Committee and resolution of the Executive Committee must be voted by majority of the meeting.
- (2) Consider annual budget and steps of budget expense to propose to the Company's Board of Directors and control budget according to budget approved by the Company's Board of Directors.
- (3) Consider to adjust Company's business plan appropriately for Company's benefits.
- (4) Consider to approve investment and set investment budget according to the authority in manual of authority.
- (5) Consider doing contract binding company as authority in manual of authority.
- (6) Be responsible to provide key information of company adequately to use in making decision of the Company's Board of Directors, shareholders including doing reliable financial report according to good standard and transparency.
- (7) Consider profit and loss of the Company and propose annual dividend to the Company's Board of Directors.
- (8) Consider to start new business or cancel business for submitting to the Company's Board of Directors.
- (9) Control to provide steps for operator to report event or unusual performance or illegal action to the Executive Committee promptly and in case that event has significant impact that must be reported to the Board of Directors to resolve in reasonable time.
- (10) Do something for supporting above performance or following Board of Directors' opinion or following authority assigned from the Board of Directors.
- (11) Some cases that are proposed to the meeting of Executive Committee and get resolutions and/or approval from the Executive Committee must be reported to the Executive Committee in the next meeting of the meeting of the Board of Directors. However, the Executive Committee can't approve transactions that he or person who may have conflict has gain and loss or has conflict of interest in other characters with the Company and its subsidiary.

Terms for holding office of the Executive Committee

The Executive Committee will hold a position for 3 years and hold by rotation of being committee and/or holding a position of company executive. The committee who vacate could be re-elected.

➤ Risk Management Committee

As of December 31st, 2021, the Risk Management Committee consists of 4 members as follows:

No.	Name	Position
1.	Mr. Taksin Tantipijit	Chairman of the Risk Management Committee
2.	Mr. Boonlert Santiworanart	Risk Management Committee
3.	Mr. Prapan Chitcharoenchai	Risk Management Committee
4.	Miss Nathira Cheewasutho*	Risk Management Committee

Remark : *Miss Nathira Cheewasutho was appointed on April 6th, 2021.

Duties and Responsibilities of the Risk Management Committee

- (1) Set and revise policy and frame of organization's risk management.
- (2) Control and support to perform about organization's risk management consistent with strategy and business aim including changing situation.
- (3) Consider to report result of organization's risk management and give opinion about risk that could be occurred including methods to set control measure or relief and develop organization's risk management system effective continually.
- (4) Report result of organization's risk management to the committee to know and in case there are key factors or events that could affect to the Company significantly, they must be report to the Board of Directors to know and consider fastest.
- (5) Join meeting of Risk Management Committee at least 1 time per 3 months.
- (6) Perform other duties as the Board of Directors assign.

Terms for holding office of the Risk Management Committee

The Risk Management Committee will hold a position for 3 years and hold by rotation of being committee and/or holding a position of company executive. The committee who vacate could be re-elected.

➤ Nomination and Remuneration Committee

As of December 31st, 2021, the Nomination and Remuneration Committee consists of 3 members as follows:

No.	Name	Position
1.	Mr.Sirichai Towiriyawate	Chairman of the Nomination and Remuneration Committee
2.	Mr.Pornsak Limboonyaprasert	Nomination and Remuneration Committee
3.	Mr.Taksin Tantipijit	Nomination and Remuneration Committee

Duties and Responsibilities of the Nomination and Remuneration Committee

- (1) Select person deserved to propose as new committee or nomination managing director by setting regulations or nomination methods and select with criteria and transparency to propose to the meeting of the Board of Directors and/or the meeting of shareholders to approve.
- (2) Consider methods/set remuneration to the committee and managing director by providing criteria or methods to set fair and reasonable remuneration to propose to the Board of Directors and/or the meeting of the shareholders to approve.
- (3) Perform other duties as the Board of Directors assign.

The Nomination and Remuneration Committee has responsible for the Board of Directors directly following duties and responsibilities assigned and the Board of Directors still have responsible for performance of the Company to outsider.

7.4 Information about the Executives

7.4.1 Management Team

As of December 31st, 2021, the Company's Management Team consists of 9 members as follows:

No.	Name	Position
1.	Mr. Taksin Tantipijit	Managing Director
2.	Mr. Boonlert Santiworanart	Sale Manager of Fire Protection System Special project
3.	Mr. Prin Burikam	Sale Manager of Fire Protection System
4.	Mr. Prapan Chitcharoenchai	Sale Manager of Fire Protection Equipment
5.	Mr. Akkachai Noppasenee*	Sale Manager of Fire Protection Equipment
6.	Miss Nathira Cheewasutho	Purchasing Manager
7.	Mrs. Srisurat Sivanart	Warehouse and Transportation Manager
8.	Miss Khanita Khetarun	Human Resource and Administrative Manager
9.	Miss Pen Yodkliang	Accounting Manager

Remark : *Mr. Akkachai Noppasenee was appointed on January 1st , 2021.

7.4.2 Remuneration Policy, Executive Directors, and Executives

The Company had a clear and transparent compensation process. The Nomination and Remuneration Committee was responsible for determining the rate of remuneration of the Board of Directors and chief executives to present and seek the approval from the Board of Directors' meeting and request the approval from the shareholders' meeting. The guideline for determining the remuneration of the Board of Directors and chief executives was the consider of appropriateness in determining the committees' remuneration based on the Company's financial status, the scope of duties, responsibilities of committees or each executive to be at a level that can motivate and retain knowledgeable and competent directors to perform their duties with the Company. The remuneration could be comparable with the directors' remuneration in the same or similar industry. All directors understood their duties and responsibilities as the Company's committees. They were ready to express their opinions independently and keep themselves up-to-date all the time including performing their duties with honesty, caution, and prudence with taking into account the best interests of the Company and being fair to all shareholders. In addition, all the Company's committees devoted their time to fully and adequately perform their duties according to their responsibilities in attending the Board of Directors' meeting unless it was necessary.

7.4.3 Total remuneration of committees and executives

➤ The Board of Directors

Meeting Allowance

Position	Meeting Allowance (Baht/Meeting)	
Chairman of the Board of Directors	15,000.00	Baht
Vice Chairman of the Board of Directors / Director	10,000.00	Baht
Chairman of the Audit Committee	15,000.00	Baht
Audit Committee	10,000.00	Baht
Nomination and Remuneration Committee	5,000.00	Baht (Independent Director only)

Board of Directors and Board Committees have received the meeting allowance and bonus, as follow:

(Unit : Baht)

No.	Name	Year 2021				Total
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Bonus	
1.	Mr.Pornsak Limboonyaprasert	75,000	60,000	5,000	240,000	380,000
2.	Mr. Taksin Tantipijit	50,000	-	-	120,000	170,000
3.	Mr. Sirichai Towiriyawate	50,000	40,000	5,000	240,000	335,000
4.	Mr. Worapon Lopansri	50,000	40,000	-	240,000	330,000
5.	Mrs. Pattamaporn Tantipijit	50,000	-	-	120,000	170,000
6.	Miss Suwanee Chenchitkhachorn*	10,000	-	-	30,000	40,000
7.	Miss Nathira Cheewasutho**	30,000	-	-	90,000	120,000
8.	Miss Pen Yodkliang	50,000	-	-	120,000	170,000
Total		365,000	140,000	10,000	1,200,000	1,715,000

Remark: *Miss Suwanee Chenchitkhachorn resigned from the company effective April 6th, 2021

**Miss Nathira Cheewasutho was appointed on April 6th, 2021.

(Unit : Baht)

No.	Name	Year 2020				Total
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Bonus	
1.	Mr.Pornsak Limboonyaprasert	75,000	60,000	5,000	200,000	340,000
2.	Mr. Taksin Tantipijit	50,000	-	-	100,000	150,000
3.	Mr. Sirichai Towiriyawate	50,000	40,000	5,000	200,000	295,000
4.	Mr. Worapon Lopansri	50,000	40,000	-	200,000	290,000
5.	Mrs. Pattamaporn Tantipijit	50,000	-	-	100,000	150,000
6.	Miss Suwanee Chenchitkhachorn*	50,000	-	-	100,000	150,000
7.	Miss Pen Yodkliang	50,000	-	-	100,000	150,000
Total		365,000	140,000	10,000	1,000,000	1,525,000

Remark : *Miss Suwanee Chenchitkhachorn resigned from the company effective April 6th, 2021

➤ **Meeting allowance**

The Annual General Meeting of Shareholders for the year 2021 held on April 5th, 2021 approved the remuneration to the Board of Directors in the total amount not exceeding 2,500,000.00 Baht per annum by setting the payment of meeting allowance according to the position.

➤ **Bonus**

Board of Directors and Audit Committee will receive as appropriate and depends on the performance. The Nomination and Remuneration Committee propose to the Board of Directors for approval. The Chairman of the allocation of bonus to directors of the Company and member of the Audit Committee.

➤ **Executives Remuneration**

Executive Remuneration	Year 2020		Year 2021	
	Executives (person)	Million Baht	Executives (person)	Million Baht
Salary, Commission and Bonus	10	18.65	9	18.32
Social Security	10	0.07	9	0.05
Provident Fund and Employee Joint Investment Program ("EJIP")	10	1.06	9	0.93
Total	10	19.78	9	19.30

Remark : - The Company established a provident fund for its employee since on December 1, 2007 and the fund is managed by BBL Asset Management Co., Ltd. Contributions are made monthly at the rate of 3% - 5% of their basic salaries and working life.
- The Company established employee joint investment program ("EJIP") on 13 September 2018, the Company will pay contributions to the project at the rate that is equivalent to the accumulated amount of employees participating in the project.

- The Company established employee joint investment program (“EJIP”) No.2 on 1 October 2021, the Company will pay contributions to the project at the rate that is equivalent to the accumulated amount of employees participating in the project.

➤ **Estimated remuneration for the current year**

-None-

7.5 Information about Employees

➤ **Number of Employees**

The Company and its subsidiary - Fire Inspector Company Limited (FIS) have number of employee as follows:

Category/Department/Division	Total (Person)			
	December 31st, 2020		December 31st, 2021	
	FTE	FIS	FTE	FIS
Executives	10	-	9	-
Employees				
Purchasing	6	-	6	-
Accounting and Finance	22	-	23	-
Human Resource and				
Administrative	7	-	7	-
Information and Technology	3	-	3	-
Sale of Fire Protection System	28	6	29	6
Sale of Fire Protection Equipment	23	-	25	-
Warehouse and Transportation	23	-	23	-
Engineering - Design	13	-	14	-
Engineering - Project	31	-	29	-
Engineering - Service	38	-	41	-
Total	204	6	209	6

➤ **Significant change in the number of employees or having a labor dispute (in the past 3 years)**

-None-

➤ **Total remuneration and the characteristics of remuneration given to employees**

The Company and its subsidiaries had a policy to pay employees the remuneration that took into account the appropriateness and fairness according to the knowledge, capability and performance of each employee and related labor laws, etc. It must also be suitable for the expansion of the business. However, the employee remuneration was linked to the performance measurement of employees at all levels in the form of performance indicator (KPI), which was required by each employee. The evaluation to the supervisor by increasing the annual salary and annual bonus payments shall base on the performance according to the Company's annual KPI evaluation. There was a policy to pay the remuneration to employees in short-term and long-term forms, such as salaries, bonuses, retirement contributions, provident fund contributions, group insurance premiums, overtime payment, and other remuneration, etc.

Employee Remuneration

The Company and its subsidiary - Fire Inspector Company Limited (FIS) have employee remuneration obligations as follows:

Employee Remuneration	(Unit : Million Baht)			
	Year 2020		Year 2021	
	FTE	FIS	FTE	FIS
Salary, Commission, Allowance, Overtime pay, and Bonus	114.60	4.39	108.44	4.76
Social Security	1.44	0.04	1.21	0.03
Provident Fund and Employee Joint Investment Program ("EJIP")	3.77	0.26	3.71	0.26
Total	119.81	4.69	113.36	5.05

Remark : - The Company established a provident fund for its employee since on December 1, 2007 and the fund is managed by BBL Asset Management Co., Ltd. Contributions are made monthly at the rate of 3% - 5% of their basic salaries and working life.

- The Company established employee joint investment program ("EJIP") on 13 September 2018, the Company will pay contributions to the project at the rate that is equivalent to the accumulated amount of employees participating in the project.
- The Company established employee joint investment program ("EJIP") No.2 on 1 October 2021, the Company will pay contributions to the project at the rate that is equivalent to the accumulated amount of employees participating in the project.

➤ Provident fund

The Company and its employees jointly established a provident fund under the Provident Fund Act B.E.2530. This consisted of the employees' contributions and the Company's contributions. At present, this provident fund is managed by BBL Asset Management Co., Ltd. and will pay employees in the event of resignation according to regulations on the company's funds.

7.6 Other Key Information

7.6.1 List of persons assigned to be responsible for the following duties:

➤ Company Secretary

The Company's Board of Directors. The No.6/2016 meeting of Company's Board of Directors had resolution on July 8,2016 to appoint Miss Somkamol Pholwarin to be the Company secretary and had duties and responsibilities as follows:

- 1) Do and restore documents as follows:
 - a) The registration of committee
 - b) The invitation letter to make an appointment with the Board of Directors, meeting report of committee and Company's annual report
 - c) The invitation letter to make an appointment with the shareholders and meeting report of shareholders
- 2) Keep documents of gain and loss reported by the Board of Directors or Executive Committee.
- 3) Send copy documents of gain and loss following Section 89/14 to notify Chairman of the Board of Directors and Chairman of Audit Committee within 7 days from the date the Company has received those documents. The Company must provide document storage

system or related evidences that show information and take care to provide storage correctly, completely and verifiably within not less than 10 years from the date the document or information done.

- 4) Act others as the Capital Market Supervisory Board, the Securities and Exchange Commission specified.

The performance principle of company secretary

The Company secretary must work with responsibility, carefulness, and honesty including performing following law, objectives, regulation of the Company, resolution of the Board of Directors and resolution of the shareholders by:

- 1) The decision must be made on sufficiently reliable information.
- 2) The decision is made by the secretary with no gain and loss directly or indirectly in that decided case.
- 3) Perform honestly for highest benefits of the Company
- 4) Perform with legal and appropriate objectives and do not perform be in conflict significantly with the Company
- 5) Do not seek any benefits from using information of the Company except that is information publicly available or use assets or business chances of the Company to violate rules or general principles as specified by the Capital Market Supervisory Board.
- 6) Do not make any agreement or contract that may cause of conflict of interest with company, staff or Company's customers and this action is opposed to secretary's performance.

In Case the Company Secretary has retired or can't work

The methods are set in case that the Company secretary has retired or can't work are as follows:

- 1) The Board of Directors must appoint new company secretary within 90 days from the date the old company secretary has retired or can't work.
- 2) The Board of Directors could give authority to one of the director to act as company secretary in the period that the Company secretary has retired or can't work.
- 3) The Chairman of the Board of Directors must inform the name of company secretary to the Securities and Exchange Commission within 14 days from the date new responsible person is provided.
- 4) To inform the Securities and Exchange Commission to know document storage place according to the duties and responsibilities of the Company secretary

➤ Persons assigned to be directly responsible for overseeing bookkeeping

The accounting supervisor of the Company is Miss Pen Yodkliang, the Accounting Manager. The position has been effective since January 1st, 2015 as details appeared in Appendix 1.

➤ Person holding the position of Head of Internal Audit of the Company

The Company appointed IVL Auditing Company Limited to be the Company's internal auditor which was an independent agency from outside, with Miss Waldee Siboonrueng as the primary responsible for performing internal audit duties. The Audit Committee considered qualifications of IVL Auditing Company Limited and the team of internal auditors, it appeared that they were knowledgeable and skillful as details appeared in Appendix 3.

7.6.2 List of Head of Investor Relations

Mr. Taksin Tantipijit is responsible for investor relations, please contact No. 0-2026-0470-92.

7.6.3 Audit Fee

The Company paid the Audit fee and / or review financial statements to the Auditors as follows:

FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED

		Year 2020	Year 2021
1.	Annual audit fee Baht	900,000.00	900,000.00
2.	Interim Financial Review audit fee Baht	525,000.00	525,000.00
Total		1,425,000.00	1,425,000.00

FIRE INSPECTOR COMPANY LIMITED

		Year 2020	Year 2021
1.	Annual audit fee Baht	220,000.00	235,000.00
2.	Interim Financial Review audit fee Baht	90,000.00	90,000.00
Total		310,000.00	325,000.00

- Other Non-Audit Fee

-None-

- Types and scope of services other than audit services (Non-audit service)

-None-

8. Report on key performance in the corporate governance**8.1 Summary of the performance of the Board of Directors in the past year**

Terms and Attendance Record of the Board of Directors and Board Committee of 2021.

Name	Year 2021		
	Board of Directors	Audit Committee	Nomination and Compensation Committee
1. Mr. Pornsak Limboonyaprasert	5/5	4/4	1/1
2. Mr. Taksin Tantipijit	5/5	-	1/1
3. Mr. Sirichai Towiriyawate	5/5	4/4	1/1
4. Mr. Worapon Lopansri	5/5	4/4	-
5. Mrs. Pattamaporn Tantipijit	5/5	-	-
6. Miss Suwanee Chenchitkhachorn*	1/5	-	-
7. Miss Pen Yodkliang	5/5	-	-
8. Miss Nathira Cheewasutho**	3/5	-	-

Remark: *Miss Suwanee Chenchitkhachorn resigned from the company effective April 6th, 2021

**Miss Nathira Cheewasutho was appointed on April 6th, 2021.

8.1.1 Recruiting, developing and evaluating the performance of the Board of Directors

(1) Criteria for selecting independent directors

The Company had criteria for selecting independent directors based on qualifications, knowledge, abilities and independence complying with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. At least one independent director must have knowledge, understanding or experience in accounting or finance and was appointed by the Board of Directors. The independent director must have the following qualifications:

1. To be appointed by the company's board of directors
2. To have qualifications as stipulated in the Public Law, Laws on Securities and Exchange, and Regulations of the Stock Exchange of Thailand compared with the qualifications of independent directors as follows:

(A) Holding not more than 1 % of total shares with voting rights of the Company, parent company, subsidiary company, associated company, major shareholder or the person who has the authority to control the Company. This includes the shares held by related persons of that independent director.

(B) Not being or used to be a director who participated in management, employee, staff, advisor who received a regular salary, or person with controlling power of the Company, parent company, subsidiary company, associated company, subsidiary of the same level, major shareholder, or of the Company's controlling person unless the aforementioned characteristics have been terminated for not less than 2 years prior to the date of filing an application with the Office of the Securities and Exchange Commission. However, such prohibited characteristics do not include the case that the independent director used to be a government official or an advisor of a government agency which is a major shareholder or the person who has the authority to control the Company.

(C) Not being a person who is related by blood or legally registered as the father, mother, spouse, siblings and children, including the spouse of the executive's children, of major shareholder controller, or of the person who will be nominated as an executive or controlling person of the Company or its subsidiary.

(D) Do not have or have had a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder, or the person who has the authority to control the Company in a manner that may obstruct the exercise of one's independent judgment, including not being or having been a significant shareholder or a person with control authority of a person having a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder or the person who has the authority to control the Company unless the aforementioned characteristics have been terminated for not less than 2 years prior to the date of filing an application with the Office of the Securities and Exchange Commission.

Business relationship under the first paragraph including making trade transactions that are normally done for business, leasing or renting real estate, lists related to assets or services, giving or receiving financial help by accepting or giving loans, guarantees, and the provision of assets as collateral for liabilities including other behaviors likewise which cause the Company or related person to have obligations to pay to the other party from 3% of the Company's net tangible assets or from Baht 20 Million or more, whichever is lower. However, the calculation of such liabilities shall be according to the method for calculating the value of connected transactions under the Notification of the Capital Market Supervisory Board on criteria in making a connected transaction with mutatis mutandis. But in considering such liabilities shall include the liabilities incurred during one year prior to the date of having the business relationship.

(E) Not or used to be an auditor of the company, parent company, subsidiary company, associated company, major shareholder or the person who has the authority to control the Company and is not a significant shareholder controller or a partner of the audit firm which has auditors of the Company, parent company, subsidiary company, associated company, major shareholder, or the person who has the authority to control the Company. Such person must not be a significant shareholder, controller, or a partner of such professional service provider, unless the aforementioned characteristics shall be terminated for not less than 2 years prior to the date of filing an application with the Office of the Securities and Exchange Commission.

(F) Not or have been a professional service provider including legal or financial advisor which receives service fees of more than Baht 2 Million per annum from the Company, parent company, subsidiary company, associated company, major shareholder, or the person who has the authority to control the Company. Such person must not be a significant shareholder, controller, or a partner of such professional service provider unless the aforementioned characteristics shall be terminated for not less than 2 years before the date of applying with the Office of the Securities and Exchange Commission.

(G) Not being a director who was appointed to represent the Board of Directors of the Company, major shareholder, or shareholders who are related to major shareholders.

(H) Do not operate businesses with the same characteristics and being in significant competition with the Company's business or subsidiary or not be a significant partner in a partnership or being the director taking part in the management, employee, staff, consultant who receives a regular salary or holds more than 1% of the total shares with voting rights of other companies that operate businesses with the same characteristics and being in significant competition with the Company's business or subsidiary.

(I) Without other characteristics that will obstruct us from expressing an independent opinion on the operations of the Company.

(J) The independent director with the above qualifications may be assigned by the Board of Directors to decide on the performance of the business of the Company, Parent Company, Subsidiary, Associated Company, subsidiary of the same level, major shareholder, or the person who has the authority to control the Company as the collective decision.

(2) Nomination of the Committee and the Executive Committee

The Company has nomination committee peculiarly by the committee would consider to select person to be nominated as committee or Executive Committee of the Company and will be person with complete qualification following Section 68 of Public Limited Companies Act B.E.2535 and announcement of the Capital Market Supervisory Board announcement no. ThorJor.39/2559 in case of asking permission and allow to sell new release stock dated on September 30st, 2016.

Composition and Nomination of the Board of Directors

- (1) The Board of Directors must comprise not less than 5 committee and committee not less than a half of all committee must live in Kingdom of Thailand.
- (2) The Board of Directors comprises Executive Committee, committee who isn't executive and independent director at least one-third and not less than 3 directors. The qualification of independent director must be following standard of SET.
- (3) The Board of Directors selects one director from the board to be the Chairman of the Board of Directors. In case that the Board of Directors views as proper, the board could select one or several directors to be Vice- Chairman. Vice- Chairman has duty as specified in regulations of the business that is assigned by Chairman.

- (4) The Board of Directors selects one person to be the secretary of the Board of Directors and he/she could be/not to be director as well.

Composition and Nomination of the Audit Committee

- (1) The Audit Committee must comprise independent directors not more than 3 directors.
- (2) The Audit Committee has suitable skills following mission assigns. At least 1 Director must have knowledge, understanding or experience about accounting and finance.
- (3) The Board of Directors must select and nominate one Audit Committee to be Chairman of the Audit Committee.
- (4) The manager of internal examination department must be secretary of the Audit Committee by position. If there is no manager of internal examination department, the Audit Committee must select one person to work as secretary of the Audit Committee.

Composition and Nomination of the Risk Management Committee

- (1) The Risk Management Committee must be nominated by the Board of Directors and the Risk Management Committee comprises the Board of Directors and/or the Executive Committee not less than 3 persons and the Board of Directors will nominate one of the Risk Management Committee to be the Chairman of the Risk Management Committee.
- (2) The Risk Management Committee must understand business and has direct experience in business to set policy of risk management to cover organization including control to have system or procedure to manage risk management to reduce effect to Company's business properly.
- (3) The Risk Management Committee must appoint secretary, the Risk Management Committee to be the chief of business support line or person that the Risk Management Committee considers he/she deems to be. This person must support and help the performance of the Risk Management Committee including preparation for meeting's agenda, noting the meeting report of the Risk Management Committee.

Composition and Nomination of the Nomination and Remuneration Committee

- (1) The Nomination and Remuneration Committee comprises Company's committee at least 3 persons and at least 1 person is the independent director and Chairman of the Nomination and Remuneration Committee should be independent director.
- (2) The Nomination and Remuneration Committee will hold the positions for 3 years. The committee who vacates by rotation could be re-nominated by the Board of Directors as well.
- (3) In case that the Nomination and Remuneration Committee position vacates because other reasons except retire by rotation as clause (2) such as deprivation from being the Board of Directors, resignation or being withdrawn, the Company's Board of Directors must appoint person with complete qualification to be new Nomination and Remuneration Committee to fulfill the amount of the Nomination and Remuneration Committee completely as specified in charter and replaced person must be in position only in the left period of the old Nomination and Remuneration Committee has.

Composition and Nomination of the Executive Committee

- (1) Be nominated from the Board of Directors

- (2) Comprise Company's committee that is executives or staffs in administrative level not less than 3 persons to be the Executive Committee.

Nomination of the Chief Executive Officer

The Chief Executive Officer is appointed from the nomination of the Board of Directors. by selecting from people whose names are The Executive Committee is at the time of selection. and propose to the Board of Directors for approval to appoint

Rights of retail investors to appoint the Board of Directors of the Company

The company encourages shareholders to propose matters to be included as meeting agendas and nominate a person to be considered as the director, including allowing shareholders to express their opinions and ask questions to the Board of Directors on matters related to the Company at least 3 months before the Annual General Meeting of Shareholders each year according to regulations set by the Company which was published through the Company's website.

The performance appraisal of the Board of Directors and Chief Executive Officer

To comply with the principles of good corporate governance, the Board of Directors requires the performance appraisal of the Board of Directors collectively and individually, including the Chief Executive Officer every year to use the assessment results to improve the performance of the Board of Directors and chief executives to be more efficient. The Company Secretary will send an assessment form to the Board of Directors and sub-committees for assessment at the end of each year. Therefore, the results of the assessment would be summarized and reported the results to the Board of Directors for acknowledgment. The assessment results for the year 2021 could be summarized as follows:

Type of the Board of Directors and assessment criteria	Assessment results
Board of Directors	
Assessment for all board The assessment criteria were divided into 5 topics: 1) Structure and qualifications of the Board of Directors, 2) Roles, duties, and responsibilities of the Board of Directors, 3) The Board of Directors Meeting, 4) Relationship between the Board of Directors and the managing team, and 5) The Board of Directors's self-improvement.	4.00/4.00
Individual self-assessment The assessment criteria were divided into 3 topics: 1) Structure and qualifications of the Board of Directors, 2) The Board of Directors Meeting, and 3) Roles, duties, and responsibilities of the Board of Directors.	4.00/4.00
Sub-committees	
<ul style="list-style-type: none"> - Audit Committee - Nomination and Remuneration Committee 	
Assessment for all board The assessment criteria were divided into 3 topics: 1) Structure and qualifications of the Board of Directors , 2) The Board of Directors Meeting, and 3) Roles, duties, and responsibilities of the Board of Directors.	3.80/4.00
Chief Executive Officer	
The assessment criteria were divided into 10 topics: 1) Leadership, 2) Strategy Formulation, 3) Strategy Implementation, 4) Financial Planning	4.00/4.00

and Performance, 5) Relationship with the Board of Directors, 6) Relationship with the outsider, 7) Management and relationship with personnel, 8) Succession, 9) Knowledge of products and services, and 10) Personal characteristics.

8.1.2 Board of Directors and Board Committees have received the meeting allowance and bonus, as follow:

Meeting attendance and number of times each directors attended the meeting in the past year, disclosed in section 8.1

-Remuneration of each directors in the past year (Only remuneration as a directors)

(Unit : Baht)

No.	Name	Year 2021				Total
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Bonus	
1.	Mr.Pornsak Limboonyaprasert	75,000	60,000	5,000	240,000	380,000
2.	Mr. Taksin Tantipijit	50,000	-	-	120,000	170,000
3.	Mr. Sirichai Towiriyawate	50,000	40,000	5,000	240,000	335,000
4.	Mr. Worapon Lopansri	50,000	40,000	-	240,000	330,000
5.	Mrs. Pattamaporn Tantipijit	50,000	-	-	120,000	170,000
6.	Miss Suwanee Chenchitkhachorn*	10,000	-	-	30,000	40,000
7.	Miss Nathira Cheewasutho**	30,000	-	-	90,000	120,000
8.	Miss Pen Yodklang	50,000	-	-	120,000	170,000
Total		365,000	140,000	10,000	1,200,000	1,715,000

Remark: *Miss Suwanee Chenchitkhachorn resigned from the company effective April 6th, 2021

**Miss Nathira Cheewasutho was appointed on April 6th, 2021.

- Characteristics of the Directors' Remuneration

➤ Meeting Allowance

The ordinary meeting of shareholders of the year 2021 that was held on April 5th, 2021, had approved remuneration for the Board of Directors in amount not over than Baht 2.50 million per year by setting meeting allowance by position as follows:

Position	Meeting Allowance (Baht/Meeting)
Chairman of the Board of Directors	15,000.00 Baht
Vice Chairman of the Board of Directors / Director	10,000.00 Baht
Chairman of the Audit Committee	15,000.00 Baht
Audit Committee	10,000.00 Baht
Nomination and Remuneration Committee	5,000.00 Baht (Independent Director only)

➤ Bonus

Board of Directors and Audit Committee will receive as appropriate and depends on the performance. The Nomination and Remuneration Committee propose to the Board of Directors for approval. The Chairman of the allocation of bonus to directors of the Company and member of the Audit Committee.

- Other Remuneration

-None-

8.1.3 Supervision of Subsidiary

The Board of Directors sets mechanism to control subsidiary to maintain benefits from Company's capital by sending person as Company's representative to be committee, Executive Committee and controlling person in subsidiary including setting scope of duties and responsibilities to be way in management and setting control mechanism via disclosing financial report and connected transactions with those subsidiary by using regulations related to information disclosure and doing transaction following criteria and regulations of related organizations. Moreover, there is follow up to evaluate and examine concisely via adequate and suitable internal control system to run business of subsidiary for Company's highest benefits.

8.1.4 The follow-up to ensure compliance with corporate governance policies and guidelines.

(1) Prevention of conflicts of interest

The Board of Directors has measures to prevent conflicts of interest by setting a prohibition policy for prohibiting the Board of Directors, executives, and employees of all levels from seeking personal benefits that may conflict with the Company's interests or carrying out important transactions, including connected transactions by setting the policy, procedure, the process of considering and approving lists or transactions that must follow the internal control system regarding connected transactions and requirements of agencies governing listed companies and related laws.

(2) Supervision of the use of Internal Information

At the meeting of the Board of Directors No.1/2016 (First meeting after Registering for Transformation) on August 11, 2016, the meeting had resolution of using Company's internal information following good corporate governance as follows:

- (1) Committee, executive, staff and employee of the Company must perform as follows;
 - a) Must keep secret and / or Company's internal information.
 - b) Must not disclose secret and / or Company's internal information or seek benefits of oneself or benefits of other person directly and indirectly and whether or not to get compensation as well.
 - c) Must don't do any transactions, transferring or receiving transfer Company's assets by using secret and / or Company's internal information and/or doing any juristic act by using secret and / or Company's internal information that could cause damage to the Company directly and indirectly.

In order that committee, executive, staff and employee of the Company that know about Company's internal information should be avoid or don't do any transactions about Company's assets for 1 month before disclosing financial statement to public and 24 hours after disclosing financial statement or key information to public and these regulations including spouse and immature children of the committee, executive, staff and employee of the Company. Person who violates these regulations will be considered as committing the offence seriously.

- (2) The committee and the executives including Company's auditor must report

of change in holding assets of company of themselves and related person to the Securities and Exchange Commission according to Section 59.

(3) The Company has announced for “Regulations of Using Company’s Internal Information” to let the executives and the staffs to know thoroughly.

(3) Anti-corruption

Firetrade Engineering Public Company Limited was certified as a member of Thailand's Private Sector for Collective Action Coalition Against Corruption (CAC) on August 5th, 2019, and will file an application for renewal of the certification for the second time in 2022. The Company has an anti-corruption policy as a principle of practice for directors, executives, and employees to create confidence to stakeholders in all sectors that the Company will operate the business with honesty, integrity, and transparency. Such policy has details as follows:

1) The Board of Directors is responsible for formulating the anti-corruption policy and communicating to employees and all related parties as well as requiring an audit of the anti-corruption policy compliance, including reviewing the Company's operations following the related policies, rules, regulations, announcements, and laws regularly.

2) The Company has provided training to employees within the organization to counter the depravity and corruption for the Board of Directors, executives, and employees to promote honesty, integrity, and accountability in performing duties and responsibilities along with the anti-corruption policy and good corporate governance policy as a strict operating practice to show the company's intention.

3) The Board of Directors, executives, and employees of the Company will not act or support all forms of corruption directly and indirectly and will strictly comply with anti-corruption measures including not committing or supporting bribery in any form and do not support money or any other benefits directly or indirectly to political parties, political group, or persons involved in politics for getting benefits in the company's business operations or for benefits of himself and his comrades.

4) The Board of Directors, executives, and employees of the Company will cooperate with government agencies, institutes, and private organizations in anti-corruption as necessary and appropriate.

5) The Board of Directors, executives, and employees of the Company will not ignore or neglect when they see actions that are considered the depravity or corruption by informing the supervisor or related agencies to follow-up duties and propose to the Board of Directors for further consideration for significant cases including cooperation in the investigation of facts or answering questions.

6) The Audit Committee has duties and is responsible for reviewing financial reports, internal control, and audit systems to ensure that they are appropriate and sufficient to mitigate potential corruption risks.

(4) Whistleblowing

The company provides opportunities and encourages employees to report corruption complaints, identify clues about improper or unethical behavior and business ethics that are against the law. The Company will listen to all complaints with fairness, transparency, care, and fairness to all parties. The period has been set appropriately. The confidentiality is maintained and will be handled carefully as well as providing the protection to the whistleblower and related persons to be treated fairly or not being bullied in any form by employees who wish to report corruption complaints, identify clues of improper or unethical or illegal behavior can submit complaints through the following channels:

1) Company website : <http://www.firetrade.co.th>: the matter will be sent directly to the email address of the Chairman of the Audit Committee.

2) Email: somkamol_p@firetrade.co.th: the company secretary will take complaints and notify the Chairman of the Audit Committee immediately.

3) Sent by post:

Miss Somkamol Pholwarin (The Company Secretary)
Firetrade Engineering Public Company Limited
No.1198/5, Rama 9 Road, Phatthanakan Sub-district,
SuanLuang District, Bangkok 10250

Actions after receiving complaints

1. Finding the Truth: The Company Secretary collects information and facts by asking from all concerned parties within 7 days after receiving the complaint. If the complaint is the prima facie case, it must be reported to the Managing Director and the Chairman of the Audit Committee for acknowledgment. If the complaint is unfounded, the matter will be terminated.

2. Results of the decision: If the complaint is the prima facie case, it must be forwarded to the Human Resources and Administration Department for determining penalties according to the Company's procedures.

3. Reporting results: The Company Secretary will collect complaints and other information including judgments to report to the Audit Committee every quarter.

9. Internal Control and Connected Transactions

9.1 Internal control

The Board of Directors has continually emphasized the internal control system to prevent and mitigate risks that may arise. The Audit Committee, comprising 3 independent directors, is assigned to review the assessment of the internal control system. The Internal Audit Department reports directly to the Audit Committee for reviewing the Company's internal control system to ensure that operations are efficient and effective. The Company's various resources are utilized cost-effectively, including having control of the operations, financial reports that are accurate reliable, and timely, including compliance with the policy and following the requirements of laws and regulations of the government and related agencies. The effectiveness of the internal control system is regularly reviewed for being able to operate the business for the maximum benefit of the shareholders based on the fairness of the interests of all stakeholders.

In addition, the Audit Committee is responsible for considering, selecting, and proposing the appointment of auditors, including the auditor's remuneration, considering to disclose the Company's information to be accurate and complete in the event of a connected transaction or a transaction that may cause conflicts of interest. In 2021, the Audit Committee held 4 meetings to inquire about the audit plan and issues detected during the independent audit.

In the Board of Directors Meeting No. 2/2022 held on March 11th, 2022, the Board of Directors assessed the sufficiency and appropriateness of the internal control system from the assessment report of the Audit Committee in various fields according to the assessment form of the internal control system sufficiency which consisted of 5 components:

Organization and environment, risk management, operational control of the Administrative Department, information and communication system, and tracking system. It was concluded that the Company's internal control system was sufficient and suitable for business operations, without any significant flaws in the internal control system that can protect the Company's assets from the misuse or non-authority of the executives, the Company's financial reports that were prepared according to generally accepted accounting principles, the disclosure of information in financial reports accurately and reliably. The Company's business operations complied with the Securities and Exchange Act and other relevant laws completely.

9.1.1 The adequacy and appropriateness of the internal control system

The Company appointed IVL Auditing Company Limited to perform duties as the internal auditor. Miss Waldee Siboonrueng was primarily responsible for performing the duties of the

Company's internal auditor. The Audit Committee considered the qualifications of IVL Auditing Company Limited and Miss Waldee Siboonrueng and deemed they were appropriate to perform such duties as they were independent, knowledgeable in examining various departments with a good understanding of the business. The Company has employed IVL Auditing Company Limited to act as the Company's internal auditor (details of the Internal Control Auditor's profile were shown in Appendix 3).

9.2 Related transactions

9.2.1 Information related to transactions with persons who may have conflicts of interest

The Company and its subsidiaries have connected transactions with persons who may have conflicts of interest and related companies and they have the same group of shareholders, directors, or connected persons of executives, directors and shareholders of the Company become a director controller and shareholders of such connected persons. The Audit Committee examined and reviewed the suitability of the list, the reasonableness, as well as the determination of remuneration and other normal business conditions which persons who may have conflicts of interest with related transactions with the Company and its subsidiaries for the fiscal year ended December 31st, 2021 and 2020. Details were as follows:

Persons with related transactions	Characteristics of the Business	Characteristics of the Relationship
1) Mr. Taksin Tantipijit	-	<ul style="list-style-type: none"> - Spouse of Mrs. Pattamaporn Tantipijit and father of Miss Paphanan Tantipijit and Mr. Piyawach Tantipijit - Vice Chairman, Authorized Director, Chief Executive Officer, and major shareholders by holding 38.46% of the paid-up capital
2) Mrs. Pattamaporn Tantipijit	-	<ul style="list-style-type: none"> - Spouse of Mr. Taksin Tantipijit and mother of Miss Paphanan Tantipijit and Mr. Piyawach Tantipijit - Director, Authorized Director, and major shareholders holding 7.82% of the paid-up capital
3) Miss Paphanan Tantipijit	-	<ul style="list-style-type: none"> - Daughter of Mr. Taksin Tantipijit and Mrs. Pattamaporn Tantipijit - Major shareholder holding 11.01% of the paid-up capital
4) Mr. Piyawach Tantipijit	-	<ul style="list-style-type: none"> - Son of Mr. Taksin Tantipijit and Mrs. Pattamaporn Tantipijit - Major shareholder holding 7.42 % of the paid-up capital - As of March 14th, 2017, there was a change in shareholding structure.
5) Miss Somjit Tantipijit	-	<ul style="list-style-type: none"> - Younger sister of Mr. Taksin Tantipijit - Holding 0.02 % of the paid-up capital
6) S.I. Firetrade Company Limited	Distribute and rent packaging printers, distribute packaging inks printers, component parts of printers, uninterruptible power supplies, and freezers	<ul style="list-style-type: none"> - It is a related company with the same director, authorized director, and shareholder as Mr. Taksin Tantipijit. The family of Mr. Taksin Tantipijit holds shares in S.I. Firetrade Company Limited accounted for 100%.
7) Safety Factory Company Limited	Import and distribute tools and personal safety equipment	<ul style="list-style-type: none"> - It is a related company with the same director, authorized director, and shareholder as Mr. Taksin Tantipijit. The family of Mr. Taksin Tantipijit holds shares in Safety Factory

Persons with related transactions	Characteristics of the Business	Characteristics of the Relationship
		Company Limited accounted for 80%.
8) Econlife Manufacturing (Thailand) Company Limited	Produce and distribute emergency signal equipment and backup power system	<ul style="list-style-type: none"> - There is the same director, authorized director, and shareholder as Mr. Taksin Tantipijit. The family of Mr. Taksin Tantipijit holds shares in Econlife Manufacturing (Thailand) Company Limited accounted for 47.50%.
9) Safety Online Company Limited	Import and distribute tools and personal safety equipment	<ul style="list-style-type: none"> - It is a related company with the same director, authorized director, and shareholder as Mr. Taksin Tantipijit. The family of Mr. Taksin Tantipijit holds shares in Safety Online Company Limited accounted for 80%.

9.2.2 Necessity and reasonableness of related connected transactions

Connected transactions occurring in the fiscal year ended December 31st, 2021 and 2020 were as follows:

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion
		As of December 31 st , 2020	As of December 31 st , 2021	
1. Mr. Taksin Tantipijit	<u>Credit limit guarantee for "FTE"</u> - Mr. Taksin Tantipijit guaranteed the credit limit of "FTE" with local financial institutions.	123.39	186.39	<p>- Mr. Taksin Tantipijit guaranteed the credit limit of "FTE". The said limit was used as working capital in the business without any remuneration for guarantees or remuneration for giving of assets to be pledged as collateral.</p> <p><u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate, reasonable and done for the benefits of the business of "FTE" due to the need to comply with the conditions for obtaining support the credit limit from financial institutions for business operations.</p>
	<u>Credit limit guarantee for the subsidiary company: "FIS"</u> - Mr. Taksin Tantipijit guaranteed the credit limit of the subsidiary company: "FIS" with local financial institutions.	3.00	3.00	<p>- Mr. Taksin Tantipijit guaranteed the credit limit of the subsidiary company: "FIS". The said limit was used as working capital in the business without any remuneration for guarantees or remuneration for giving of assets to be pledged as collateral.</p> <p><u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate, reasonable and done for the benefits of the business due to the need to comply with the conditions for obtaining support the credit limit from financial institutions for</p>

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion
		As of December 31 st , 2020	As of December 31 st , 2021	
2. Mrs. Pattamaporn Tantipijit	<u>Credit limit guarantee for "FTE"</u> Mrs. Pattamaporn Tantipijit guaranteed the credit limit of "FTE" with local financial institutions.	56.00	56.00	business operations. - Mrs. Pattamaporn Tantipijit guaranteed the credit limit of "FTE" without any remuneration in the guarantee. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate, reasonable and done for the benefits of the business of "FTE" due to the need to comply with the conditions for obtaining support the credit limit from financial institutions for business operations.
3. S.I. Firetrade Company Limited	<u>"FTE" collected expenses from S.I. Firetrade Company Limited</u> - Reserve expenses	0.01	0.00	- "FTE" collected reserve expenses as they were paid. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate and done for benefits of the business of "FTE" and determined the service fee with reasonability and followed normal trading conditions.

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion								
		As of December 31 st , 2020	As of December 31 st , 2021									
	<u>“FTE” rented the office to S.I. Firetrade Company Limited</u> - Rent the office	0.26	0.00	<p>- S.I. Firetrade Company Limited rented some areas of “FTE” to be used as the office with a total area of 266 square meters. Details of the contract were as follows:</p> <table><tr><th>List</th><th>Contract period (November 1st, 2019 to October 31st, 2020)</th></tr><tr><td>Service and common fees</td><td>46,550 Baht per month</td></tr><tr><td>Utility bills</td><td>17,206 Baht per month</td></tr><tr><td>Total</td><td>63,756 Baht per month</td></tr></table> <p>Service and common fees were equal to Baht 175 following the Lease and Service Contract based on the actual cost paid by “FTE” to the lessor, plus the marginal profit at the agreed rate. The utility cost has been increased from the original contract based on the actual cost paid which “FTE” paid for the actual utility bills for the past year on average.</p> <p>- In this regard, the Lease Contract for the said area expired on April 27th, 2020 because of S.I. Firetrade Company Limited leased the area of S.I. Safety Factory to be the office.</p> <p><u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 and agreed that the said transaction was appropriate and according to the agreed terms.</p>	List	Contract period (November 1 st , 2019 to October 31 st , 2020)	Service and common fees	46,550 Baht per month	Utility bills	17,206 Baht per month	Total	63,756 Baht per month
List	Contract period (November 1 st , 2019 to October 31 st , 2020)											
Service and common fees	46,550 Baht per month											
Utility bills	17,206 Baht per month											
Total	63,756 Baht per month											

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion						
		As of December 31 st , 2020	As of December 31 st , 2021							
	<u>“FTE” provided the storage service to S.I. Firetrade Company Limited</u> - Provide the product storage service	0.00	0.50	<div>- S.I. Firetrade Company Limited used the storage area at the warehouse of “FTE” with a total area of 312 square meters. Details of the contract were as follows: (freight forwarding fee excluded).</div> <table><tr><th>List</th><th>Contract period (March 1st, 2021 to February 28th, 2022)</th></tr><tr><td>Product storage service fee</td><td>54,801 Baht per month</td></tr><tr><td>Total</td><td>54,801 Baht per month</td></tr></table> <div>To be used as the product storage place, charge for an area service fee of 175.64 Baht per square meter per month by referring to rental rates of nearby areas with similar characteristics.</div> <div>- The original contract dated December 15th, 2020, was canceled for the contract period of January 1st, 2021 to December 31st, 2021, at a fee of 150 Baht per square meter per month.</div> <div><u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 and agreed that the said transaction was appropriate and according to the agreed term.</div>	List	Contract period (March 1 st , 2021 to February 28th, 2022)	Product storage service fee	54,801 Baht per month	Total	54,801 Baht per month
List	Contract period (March 1 st , 2021 to February 28th, 2022)									
Product storage service fee	54,801 Baht per month									
Total	54,801 Baht per month									

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion
		As of December 31 st , 2020	As of December 31 st , 2021	
	<u>"FTE" provided cargo lifting services to S.I. Firetrade Company Limited</u> - Provide lifting services - Accounts receivable from freight forwarding services	0.07 0.02	0.05 0.00	- Forklift service fee charged by "FTE" was the same rate that "FTE" had to pay to the freight forwarding service provider. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was appropriate and done for benefits of the business of "FTE" and determined the service fee with reasonability and followed normal trading conditions. - Another service fee charged by "FTE" was the same rate that "FTE" had to pay to the service provider. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was appropriate and done for benefits of the business of "FTE" and determined the service fee with reasonability and followed normal trading conditions.
	<u>"FTE" provided other services to S.I. Firetrade Company Limited</u> - Provide other services	0.53	0.53	- "FTE" distributed firefighting equipment to Safety Factory Company Limited together with tools and equipment for personal safety (Personal Protection Equipment: PPE). The selling price was following normal trading conditions. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated
4. Safety Factory Company Limited	<u>"FTE" distributed products to Safety Factory Company Limited</u> - Distribute products	0.33	0.11	- "FTE" distributed firefighting equipment to Safety Factory Company Limited together with tools and equipment for personal safety (Personal Protection Equipment: PPE). The selling price was following normal trading conditions. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion						
		As of December 31 st , 2020	As of December 31 st , 2021							
				February 25 th , 2022 considered and agreed that the said transaction was the appropriate selling price and followed normal trading conditions.						
	<div>“FTE” rented the office area of Safety Factory Company Limited</div> <div><div>- Security deposit for Office Lease Contract</div><div>- Liabilities of the Lease Contract</div><div>- Deferred interest</div><div>- Interest paid under the Lease Contract</div></div>	<div>0.45</div> <div>85.18</div> <div>(26.34)</div> <div>1.63</div>	<div>0.45</div> <div>(82.22)</div> <div>24.74</div> <div>2.37</div>	<div>- “FTE” rented the area of Safety Factory Company Limited. Details of the contract were as follows:</div> <table><tr><th>List</th><th>Contract period (April 27th, 2020 to April 26th, 2023)</th></tr><tr><td>Rental fee</td><td>368,725 Baht per month</td></tr><tr><td>Total</td><td>368,725 Baht per month</td></tr></table> <div>The lease term was 3 years and the contract can be extended to 20 years.</div> <div>- TFRS 16 on Lease Agreement was effective on January 1st, 2020. "FTE" had to record accounting entries to comply with TFRS 16. It was expected that “FTE” would lease the office building for a period of 20 years (April 27th, 2020 to April 26th, 2040). It caused the account for the right-of-use assets of Baht 60.21 Million (Liabilities of the Lease Contract of Baht 88.18 Million. Deducted the deferred interest of Baht 27.97 million).</div> <div><u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate and with a reasonable price.</div>	List	Contract period (April 27 th , 2020 to April 26 th , 2023)	Rental fee	368,725 Baht per month	Total	368,725 Baht per month
List	Contract period (April 27 th , 2020 to April 26 th , 2023)									
Rental fee	368,725 Baht per month									
Total	368,725 Baht per month									

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion								
		As of December 31 st , 2020	As of December 31 st , 2021									
	"FTE" used the service of common area of <u>Safety Factory Company Limited's office</u> - Office area service fee - Office service contract security deposit - other creditors	3.00 1.02 0.00	4.43 1.02 1.58	<div><table><tr><th>List</th><th>contract period (April 27th, 2020 to April 26th, 2023)</th></tr><tr><td>Service charge</td><td>284,445 Baht per month</td></tr><tr><td>Other service charges</td><td>84,280 Baht per month</td></tr><tr><td>Total</td><td>368,725 Baht per month</td></tr></table></div> <div>Audit Committee's opinion The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate and with a reasonable price.</div>	List	contract period (April 27 th , 2020 to April 26 th , 2023)	Service charge	284,445 Baht per month	Other service charges	84,280 Baht per month	Total	368,725 Baht per month
List	contract period (April 27 th , 2020 to April 26 th , 2023)											
Service charge	284,445 Baht per month											
Other service charges	84,280 Baht per month											
Total	368,725 Baht per month											
5. Econlife Manufacturing (Thailand) Company Limited	<u>"FTE" rented a warehouse to Econlife Manufacturing (Thailand) Company Limited</u> - Service of renting the warehouse	0.15	0.00	<div><div>- Econlife Manufacturing (Thailand) Company Limited leased some areas of the warehouse from "FTE" to store products with a total area of 100 square meters. "FTE" received the rental fee from the original rate of 12,000.00 Baht per month to be the rental rate of 12,500.00 Baht per month for the rental period from April 1st, 2018 to March 31st, 2021. The said service fee was charged by "FTE" at the same rate that "FTE" must pay to the lessor.</div><div>- The Lease Contract for the said area expired on</div></div>								

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion						
		As of December 31 st , 2020	As of December 31 st , 2021							
				December 31 st , 2020. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was appropriate and with a reasonable price.						
	<u>“FTE” provided storage services to Econlife Manufacturing (Thailand) Company Limited</u> - Provide product storage services	0.00	0.08	- Econlife Manufacturing (Thailand) Company Limited used storage areas at the “FTE”'s warehouse with a total area of 78 square meters. Details of the contract were as follows (freight forwarding fees excluded): <table><tr><th>List</th><th>Contract period (March 1st, 2021 to February 28th, 2022)</th></tr><tr><td>Storage service fee</td><td>12,480 Baht per month</td></tr><tr><td>Total</td><td>12,480 Baht per month</td></tr></table> <p>To be used as the product storage place, charge for an area service fee of 160 Baht per square meter per month by referring to rental rates of nearby areas with similar characteristics.</p> <p>- The original contract dated December 15th, 2020, was canceled for the contract period of January 1st, 2021 to December 31st, 2021, at a fee of 150 Baht per square meter per month.</p> <p>- On April 25th, 2021, there was the change of the</p>	List	Contract period (March 1 st , 2021 to February 28 th , 2022)	Storage service fee	12,480 Baht per month	Total	12,480 Baht per month
List	Contract period (March 1 st , 2021 to February 28 th , 2022)									
Storage service fee	12,480 Baht per month									
Total	12,480 Baht per month									

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion						
		As of December 31 st , 2020	As of December 31 st , 2021							
				storage area at the “FTE”’s warehouse to be only 45.33 square meter with the area service fee of 160 Baht per square meter per month as same as the original rate with the contract details as follows (freight forwarding fees excluded): <table><tr><th>List</th><th>Contract period (May 1st, 2021 to February 28th, 2022)</th></tr><tr><td>Product storage service fee</td><td>7,252.80 Baht per month</td></tr><tr><td>Total</td><td>7,252.80 Baht per month</td></tr></table> <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 and agreed that the said transaction was appropriate and according to the agreed terms.	List	Contract period (May 1 st , 2021 to February 28 th , 2022)	Product storage service fee	7,252.80 Baht per month	Total	7,252.80 Baht per month
List	Contract period (May 1 st , 2021 to February 28 th , 2022)									
Product storage service fee	7,252.80 Baht per month									
Total	7,252.80 Baht per month									
	<u>“FTE” provides cargo lifting services to Eonlife Manufacturing (Thailand) Company Limited</u> - Cargo lifting services - Accounts receivable from freight forwarding services	0.01 0.01	0.00 0.00	- Forklift service fee charged by “FTE” was the same rate that “FTE” had to pay to the freight forwarding service provider. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate and done for benefits of the business of “FTE” and determined the service fee with reasonability and followed						

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion
		As of December 31 st , 2020	As of December 31 st , 2021	
				normal trading conditions.
	<u>“FTE” employed services from Econlife Manufacturing (Thailand) Company Limited</u> - Outsourcing service - Accounts Payable	0.33 0.05	0.36 0.03	- “FTE” employed employees, served, repaired, and maintained equipment and fire extinguishing systems. The fee was charged at a fixed rate per time based on employee wages plus the marginal profit. The said service rates change every year depending on employee wages. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was an appropriate selling list and followed normal trading conditions.
	<u>Subsidiary company:</u> <u>“FIS” purchased products from Econlife Manufacturing (Thailand) Company Limited</u> - Purchase products	0.02	0.00	- Subsidiary company: “FIS” purchased lighting and emergency lighting equipment for selling to customers who employed “FIS” to install the system. They were the electrical equipment that “FIS” did not have. The purchase price of products from that company followed normal trading conditions. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was an appropriate purchased list and followed normal trading conditions.

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion
		As of December 31 st , 2020	As of December 31 st , 2021	
	<u>Subsidiary company:</u> <u>“FIS” employed services from Econlife Manufacturing (Thailand) Company Limited</u> - outsourcing service - Accounts Payable	0.09 0.01	0.05 0.00	- “FIS” employed employees, served, repaired, and maintained equipment and fire extinguishing systems. The fee was charged at a fixed rate per time based on employee wages plus the marginal profit. The said service rates change every year depending on employee wages. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was appropriate purchased list and followed normal trading conditions.
6. Safety Online Company Limited	<u>“FTE” sold products to Safety Online Company Limited</u> - Sell products - Trade accounts receivable	0.66 0.38	0.32 0.00	- “FTE” sold firefighting equipment to Safety Online Company Limited together with tools and equipment for personal safety (Personal Protection Equipment: PPE). The selling price followed normal trading conditions. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was an appropriate sale list and followed normal trading conditions.
	<u>“FTE” rented an office to Safety Online Company Limited</u> - Rent office	0.08	0.00	- Safety Online Company Limited leased some areas of “FTE” for use as an office with a total area of 88 square meters. Details of the contract were as follows:

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion								
		As of December 31 st , 2020	As of December 31 st , 2021									
				<table><tr><th>List</th><th>Contract period (November 1st, 2019 to October 31st, 2020)</th></tr><tr><td>Service and common fees</td><td>15,400 Baht per month</td></tr><tr><td>Utility bills</td><td>5,521 Baht per month</td></tr><tr><td>Total</td><td>20,924 Baht per month</td></tr></table> <p>Service and common fees were equal to Baht 1 7 5 following the Lease and Service Contract based on the actual cost paid by “FTE” to the lessor, plus the marginal profit at the agreed rate. For the utility cost has been increased from the original contract, it was referred with the actual cost which “FTE” paid for the actual utility bills for the past year on average.</p> <p>- The Lease Contract for the said area expired on April 27th, 2020 because Safety Online Company Limited rented the area of Safety Factory Company Limited as the office.</p> <p><u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate and with a reasonable price.</p>	List	Contract period (November 1 st , 2019 to October 31 st , 2020)	Service and common fees	15,400 Baht per month	Utility bills	5,521 Baht per month	Total	20,924 Baht per month
List	Contract period (November 1 st , 2019 to October 31 st , 2020)											
Service and common fees	15,400 Baht per month											
Utility bills	5,521 Baht per month											
Total	20,924 Baht per month											

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion						
		As of December 31 st , 2020	As of December 31 st , 2021							
	<u>“FTE” collected expenses from Safety Online Company Limited</u> - Reserve expenses	<0.01	0.00	- Expenses to be paid by “FTE” were charged as they are actually paid. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate and done for benefits of the business of “FTE” and determined the service fee with reasonability and followed normal trading conditions.						
	<u>“FTE” provided storage services to Safety Online Company Limited</u> - Provide product storage services	0.00	0.25	- Safety Online Company Limited used storage areas at the “FTE”'s warehouse with a total area of 156 square meters. Details of the contract were as follows (freight forwarding fees excluded): <table><tr><th>List</th><th>Contract period (March 1st, 2021 to February 28th, 2022)</th></tr><tr><td>Product storage service fee</td><td>24,960 Baht per month</td></tr><tr><td>Total</td><td>24,960 Baht per month</td></tr></table> To be used as the product storage place, charge for an area service fee of 160 Baht per square meter per month by referring to rental rates of nearby areas with similar characteristics. - The original contract dated December 15 th , 2020, was canceled for the contract period of January 1 st , 2021 to	List	Contract period (March 1 st , 2021 to February 28 th , 2022)	Product storage service fee	24,960 Baht per month	Total	24,960 Baht per month
List	Contract period (March 1 st , 2021 to February 28 th , 2022)									
Product storage service fee	24,960 Baht per month									
Total	24,960 Baht per month									

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion
		As of December 31 st , 2020	As of December 31 st , 2021	
				<p>December 31st, 2021, at a fee of 150 Baht per square meter per month.</p> <p><u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 and agreed that the said transaction was appropriate and according to the agreed terms.</p>
	<p><u>"FTE" provided cargo lifting services to Safety Online Company Limited</u></p> <ul style="list-style-type: none"> - Cargo lifting services - Accounts receivable from lifting product services 	<p>0.05 0.02</p>	<p>0.04 <0.01</p>	<p>- Forklift service fee charged by "FTE" was the same rate that "FTE" had to pay to the freight forwarding service provider.</p> <p><u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate and done for benefits of the business of "FTE" and determined the service fee with reasonability and followed normal trading conditions.</p>
	<p><u>"FTE" provided other services to Safety Online Company Limited</u></p> <ul style="list-style-type: none"> - Provide other services 	<p>0.20</p>	<p>0.20</p>	<p>- Another service fee charged by "FTE" was the same rate that "FTE" had to pay to the service provider.</p> <p><u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25th, 2022 considered and agreed that the said transaction was appropriate and done for benefits of the business of "FTE" and determined the service fee with reasonability and followed</p>

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion
		As of December 31 st , 2020	As of December 31 st , 2021	
	<u>"FTE" purchased products from Safety Online Company Limited</u> - Purchase products - Accounts Payable	0.93 0.05	0.46 0.08	normal trading conditions. - "FTE" purchased the personal protection equipment (PPE) together with firefighting equipment of "FTE" because the customer assigned "FTE" to be a supplier. The setting of trading prices followed normal trading conditions. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was an appropriate purchased list and followed normal trading conditions.
	<u>"FTE" purchased tools and equipment from Safety Online Company Limited</u> - Purchase safety tools and equipment	0.04	0.00	- "FTE" purchased the personal protection equipment (PPE) for use in the business according to the agreed price that was comparable to the purchased price from other sellers. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was an appropriate purchased list and followed normal trading conditions.
	<u>Subsidiary company: "FIS" purchased tools and equipment from Safety Online</u>			Subsidiary company: "FIS" purchased the personal protection equipment (PPE) for use in the business according to the agreed price that was comparable to the purchased price from other sellers.

Persons who may have conflicts	Characteristics of the List	Value of Connected Transactions (Million Baht)		Necessity and reasonableness/ Audit Committee's opinion
		As of December 31 st , 2020	As of December 31 st , 2021	
	<u>Company Limited</u> - Purchase tools and equipment for safety - Accounts Payable	<0.01 <0.01	0.00 0.00	<u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was an appropriate purchased list and followed normal trading conditions.
	<u>"FTE" employed services from Safety Online Company Limited</u> - Outsourcing services	0.00	0.21	- "FTE" employed employees, served, repaired, and maintained equipment and fire extinguishing systems. The fee was charged at a fixed rate per time based on employee wages plus the marginal profit. The said service rates change every year depending on employee wages. <u>Audit Committee's opinion</u> The Audit Committee Meeting No. 1/2022 dated February 25 th , 2022 considered and agreed that the said transaction was an appropriate purchased list and followed normal trading conditions.

9.2.3 Related-Party Transactions

1. Related-Party Transaction Approval and Procedure

The meeting of the Board of Directors No.1/2016 (First meeting after Registering for Transformation) on August 11, 2016, resolved to establish a policy and process for approving related party transactions between the Company and individuals who have or may have conflict of interest on or beneficial interest in the transaction.

For transactions between the Company and its subsidiary or related parties or parties with potential conflicts of interest at present or in the future, if such transactions have the same commercial terms as those an ordinary person would agree with any unrelated counterparty under similar circumstances through a commercial negotiation that is not influenced by the status as a director, an executive or a related party, are based on an arm's length principle or the market price, are governed by reasonable conditions, are verifiable, and do not give rise to expropriation; the Company's management shall have the authority and power to execute such transactions as normal in accordance with the principles approved by the Board. A summary report on such transactions shall be prepared and submitted to the Audit Committee on a quarterly basis.

For related-party transactions that are not ordinary transactions, the Company will solicit the Audit Committee's opinions on the necessity and reasonableness of such transactions. If the related party transactions are outside the Audit Committee's areas of expertise, the Company will engage independent appraisers, independent experts or auditors in reviewing such transactions and share their opinions with the Audit Committee in order that the Audit Committee can make decisions or issue recommendations to the Board or the shareholders, as applicable, to support their decision-making on the transactions. The Company discloses information about related party transactions in the notes to the audited financial statements and discloses the related party transactions in the annual registration statement (Form 56-1 One Report) of the Company in accordance with the rules and the securities and exchange laws. Procedures applicable to the approval of related-party transactions must be in compliance with the securities and exchange laws, including regulations, notifications, orders or requirements of the Stock Exchange of Thailand and persons with potential conflicts of interest in such transactions are not entitled to vote on such transactions.

The Company will adopt the policy of entering into the connected transaction of the Company with the person or company concerned. As well the Company has Acquisition and Disposition of Assets in writing and in accordance with the Notification of the Capital Market Supervisory Board and the rules set by the Securities and Exchange Commission and the Stock Exchange of Thailand. Let the staff know in general.

2. Approved Principle governing Transactions with Arm's Length Commercial Terms between the Company and Director, Executive or Related Party

If it becomes necessary for the Company to enter into related party transactions with persons with potential conflicts of interest in the future, the Company will apply arm's length conditions and comparable market rates by referring to conditions and prices of transactions that the Company has made with third parties operating the same business. The Company will request the Audit Committee to render opinions on the prices, fees, necessity and reasonableness of the related party transactions. If the related party transactions are outside the Audit Committee's areas of expertise, the Company will engage independent appraisers, independent experts or auditors in reviewing such transactions and share their opinions with the Audit Committee in order that the Audit Committee can make decisions or issue recommendations to the Board or the shareholders, as applicable, to support their decision-making on the transactions. The Company discloses information about related-party transactions in the notes to the audited financial statements and discloses related party transactions in the annual registration statement (Form 56-1 One Report) of the Company in accordance with the rules and the securities and exchange laws, including regulations, notifications, orders or requirements of the Stock Exchange of Thailand.

Directors must handle related-party transactions that may arise in the future in accordance with established regulations. Directors shall not be involved in any transactions that they or their related parties may have conflict of interest and shall report their conflicts of interest to the Board. The Company must strictly comply with the securities and exchange laws, the regulations, notifications, orders or requirements of the Stock Exchange of Thailand, the requirements governing the disclosure of related party transactions and the acquisition or disposal of the assets of the Company and its subsidiary, including the accounting standards stipulated by the Federation of Accounting Professions. The Company shall refrain from related-party transactions that are not in the Company's ordinary course of business.

9.2.4 Reasons that person who may have conflicts of interest holding shares in the subsidiary company and associated company more than 10% instead of directly holding the Company's shares

To protect investors in the future, if the Company's related transactions occur with persons who may have conflicts of interest, interest, or there may be a conflict of interest in the future, the Company will arrange for the presentation of such lists through the Board of Directors Meeting attended by the Audit Committee to ensure that the related transactions are fair and have an appropriate pricing policy. The Board of Directors must perform their duties according to the Securities and Exchange Act and regulations, notifications, rules, and regulations of the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand, including compliance with the disclosure requirements of connected transactions and the acquisition or disposal of related assets. In addition, the Company also discloses related transactions in the notes to the financial statements that have been audited or reviewed by the Company's auditor.

FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Firetrade Engineering Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Firetrade Engineering Public Company Limited and its subsidiary (“the Group”) and of Firetrade Engineering Public Company Limited (“the Company”), which comprise the consolidated and separate statements of financial position as at 31 December 2021, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders’ equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respect, the consolidated and separate financial position of Firetrade Engineering Public Company Limited and its subsidiary and of Firetrade Engineering Public Company Limited as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

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 Consolidated and Separate Financial Statements section of my report. I am independent of the Group and Company in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Recognition of Revenue from Project Works

As discussed in Note 3 to the financial statements regarding accounting policies. The Group and Company recognized revenue from project works based on the percentage of completion by reference to the project work cost incurred for work performed up to date and estimate of total project work cost. Revenue from project works are highly dependent on the key factors, the estimated final project work cost and revision for certain events or conditions those occur or expected to occur to complete the contract with supplier of the Group including variations result in adjustments of these estimates that could give rise to variances in the amounts recognized. Therefore, this matter is considered as a key audit matter because revenue from project works recognized is significant and requiring management to exercise significant judgement to project work cost.

I gain understanding and performing test of design the internal controls related to the approach used by the management to monitor the estimation of project work cost. I also tested the effectiveness of internal controls related to revenue recognition and recording of project cost. I determined the reasonableness of the evaluation of stage of completion and the estimation of budget project cost by testing the details of actual project cost by tracing to sufficient supporting documents and site visits the existence and the reasonableness of stage of completion of individual projects at the year end.

Other Information

Management is responsible for the other information. The other information comprises information including in annual report but does not include the consolidated and separate financial statements and my auditor's report thereon, which is expected to be made available to me after that date.

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above 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 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 to make correction the misstatement.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary

to enable the preparation of consolidated and separate financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group and 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 Group and Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and 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 the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant

doubt on the Group and Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

Prawit Viwanthananut

Certified Public Accountant

Registration Number 4917

PV Audit Co., Ltd.

Bangkok, 25 February 2022

FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
ASSETS	3				
Current Assets					
Cash and cash equivalents	5	17,405,438.13	37,296,033.90	15,494,398.92	33,490,774.83
Trade and other receivables	4, 6	234,635,419.30	246,278,776.72	228,558,808.84	236,536,751.46
Contract assets		86,577,098.83	60,287,445.19	76,102,203.15	52,574,060.68
Short-term loans to related party	4	-	-	5,000,000.00	3,000,000.00
Inventories	7	389,540,621.65	346,074,778.79	362,359,470.70	333,474,490.66
Other current assets		582,326.60	1,225,090.60	582,326.60	1,225,090.60
Total Current Assets		728,740,904.51	691,162,125.20	688,097,208.21	660,301,168.23
Non-Current Assets					
Deposits at financial institutions under pledge		4,300,000.00	4,300,000.00	4,300,000.00	4,300,000.00
Investments in subsidiary	4, 8	-	-	12,848,835.17	12,848,835.17
Investment property	9, 27	3,907,032.35	3,907,032.35	3,907,032.35	3,907,032.35
Property, plant and equipment	4, 10	243,334,707.49	242,894,107.35	243,296,511.42	242,832,227.79
Right-of-use assets	11	55,182,371.45	58,193,068.79	55,182,371.45	58,193,068.79
Intangible assets	12	5,237,345.22	10,035,353.02	5,167,098.84	9,950,797.72
Deferred tax assets	13	19,925,193.88	14,714,850.86	18,892,261.81	13,717,465.59
Other non-current assets	4	25,765,278.59	20,056,279.75	23,345,826.10	18,282,308.76
Total Non-Current Assets		357,651,928.98	354,100,692.12	366,939,937.14	364,031,736.17
Total Assets		1,086,392,833.49	1,045,262,817.32	1,055,037,145.35	1,024,332,904.40

FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
LIABILITIES AND SHAREHOLDERS' EQUITY	3				
Current Liabilities					
Short-term borrowings from financial institutions	14	51,708,303.94	6,151,193.18	51,708,303.94	6,151,193.18
Trade and other payables	4, 15	157,356,005.38	196,426,111.01	155,439,164.94	194,454,703.73
Contract liabilities		36,899,790.17	25,603,802.19	32,842,446.29	22,675,731.31
Current portion of lease liabilities	4, 16	2,829,136.29	2,050,588.20	2,829,136.29	2,050,588.20
Corporate income tax payable		2,868,998.26	4,368,759.81	2,248,216.83	4,352,382.60
Total Current Liabilities		251,662,234.04	234,600,454.39	245,067,268.29	229,684,599.02
Non-Current Liabilities					
Lease liabilities	4, 16	54,651,225.06	56,787,485.39	54,651,225.06	56,787,485.39
Provisions for employee benefits	17	25,661,229.00	21,001,896.00	24,300,033.00	19,891,560.00
Other non-current liabilities	4	3,639,969.41	3,415,734.03	3,346,297.36	3,128,673.79
Total Non-Current Liabilities		83,952,423.47	81,205,115.42	82,297,555.42	79,807,719.18
Total Liabilities		335,614,657.51	315,805,569.81	327,364,823.71	309,492,318.20
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
600,000,000 ordinary shares, Baht 0.50 par value		300,000,000.00	300,000,000.00	300,000,000.00	300,000,000.00
Issued and paid-up share capital					
600,000,000 ordinary shares, fully paid-up		300,000,000.00	300,000,000.00	300,000,000.00	300,000,000.00
Share premium	18	346,480,124.86	346,480,124.86	346,480,124.86	346,480,124.86
Surplus from business combination under common control		98,835.17	98,835.17	98,835.17	98,835.17
Surplus from share-based payments	22	1,836,244.87	-	1,836,244.87	-
Retained earnings					
Appropriated to legal reserve	19	30,000,000.00	30,000,000.00	30,000,000.00	30,000,000.00
Unappropriated	20	72,903,079.90	52,878,287.48	49,797,225.56	38,261,626.17
Treasury shares	22	(540,108.82)	-	(540,108.82)	-
Total Shareholders' Equity		750,778,175.98	729,457,247.51	727,672,321.64	714,840,586.20
Total Liabilities and Shareholders' Equity		1,086,392,833.49	1,045,262,817.32	1,055,037,145.35	1,024,332,904.40

FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
	3				
Revenues from sales and services	4	1,005,464,742.47	907,204,410.01	972,958,595.60	873,135,330.04
Cost of sales and services	4, 23	(776,289,022.37)	(682,494,174.62)	(762,777,094.57)	(666,980,205.41)
Gross profit		229,175,720.10	224,710,235.39	210,181,501.03	206,155,124.63
Other income	4	5,451,859.46	6,957,624.72	6,283,806.99	7,636,001.99
Distribution costs	4, 23	(66,072,445.43)	(74,571,265.54)	(60,550,083.22)	(68,971,021.67)
Administrative expenses	4, 23	(94,954,182.74)	(71,048,251.74)	(93,142,524.41)	(70,100,641.17)
Profit from operating activities		73,600,951.39	86,048,342.83	62,772,700.39	74,719,463.78
Finance costs	4	(4,239,883.97)	(1,682,775.71)	(4,239,883.97)	(1,682,775.71)
Expected credit losses	23	(13,560,483.17)	(8,915,373.57)	(13,731,186.85)	(8,576,970.89)
Profit before income tax		55,800,584.25	75,450,193.55	44,801,629.57	64,459,717.18
Tax expense	24	(11,775,791.83)	(14,918,702.62)	(9,266,030.18)	(12,796,389.00)
Profit for the year		44,024,792.42	60,531,490.93	35,535,599.39	51,663,328.18
Other comprehensive income (loss)					
Components of other comprehensive income that will not be reclassified to profit or loss					
Defined benefit plan actuarial gain		-	450,070.00	-	533,423.00
Income tax relating to components of other comprehensive -					
income that will not be reclassified to profit or loss	24	-	(90,014.00)	-	(106,684.60)
Other comprehensive income for the year - net of tax		-	360,056.00	-	426,738.40
Total comprehensive income for the year		44,024,792.42	60,891,546.93	35,535,599.39	52,090,066.58
Earnings per share					
Basic earnings per share	3	0.07	0.10	0.06	0.09
Weighted average number of ordinary shares (shares)	3	600,000,000	600,000,000	600,000,000	600,000,000

FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

Baht										
Consolidated financial statements										
Surplus from business										
Note	Issued and paid-up share capital	Share premium	Surplus from combination under common control	Surplus from share-based payments	Retained earnings		Treasury shares	Total shareholders' equity		
					Appropriated	Unappropriated				
Beginning balance as at 1 January 2020	300,000,000.00	346,480,124.86	98,835.17	-	-	28,700,000.00	59,284,663.55	-	734,563,623.58	
Changes in shareholders' equity										
Dividend payment	20	-	-	-	-	-	(65,997,923.00)	-	(65,997,923.00)	
Appropriated for legal reserve	19	-	-	-	-	1,300,000.00	(1,300,000.00)	-	-	
Profit for the year		-	-	-	-	-	60,531,490.93	-	60,531,490.93	
Other comprehensive income		-	-	-	-	-	360,056.00	-	360,056.00	
Ending balance as at 31 December 2020	300,000,000.00	346,480,124.86	98,835.17	-	-	30,000,000.00	52,878,287.48	-	729,457,247.51	
Changes in shareholders' equity										
Dividend payment	20	-	-	-	-	-	(24,000,000.00)	-	(24,000,000.00)	
Surplus from share-based payments	22	-	-	-	1,836,244.87	-	-	-	1,836,244.87	
Profit for the year		-	-	-	-	-	44,024,792.42	-	44,024,792.42	
Treasury shares	22	-	-	-	-	-	-	(540,108.82)	(540,108.82)	
Ending balance as at 31 December 2021	300,000,000.00	346,480,124.86	98,835.17	1,836,244.87	30,000,000.00	72,903,079.90	(540,108.82)	-	750,778,175.98	

FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

Baht									
Separate financial statements									
Surplus from business									
Total									
sharholders' equity									
Treasury shares									
Unappropriated									
Retained earnings									
Appropriated									
Share premium									
Surplus from share-based payments									
combination under common control									
Issued and paid-up share capital									
Note									
Beginning balance as at 1 January 2020									
Changes in shareholders' equity									
Dividend payment									
Appropriated for legal reserve									
Profit for the year									
Other comprehensive income									
Ending balance as at 31 December 2020									
Changes in shareholders' equity									
Dividend payment									
Surplus from share-based payments									
Profit for the year									
Treasury shares									
Ending balance as at 31 December 2021									

FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities:				
Profit before income tax	55,800,584.25	75,450,193.55	44,801,629.57	64,459,717.18
Adjustments to reconcile profit before income tax to net cash provided by (used in) operating activities				
Expected credit losses	13,560,483.17	8,915,373.57	13,731,186.85	8,576,970.89
Loss on devaluation of inventories	4,915,321.19	749,248.64	4,306,507.78	724,135.51
Depreciation and amortisation	15,523,989.60	10,618,573.84	15,485,997.19	10,573,686.04
Gain on disposal of assets	(83,557.02)	(448,410.55)	(83,557.02)	(449,205.90)
Unrealized (gain) loss on exchange rate	250,401.01	(1,490,460.47)	248,206.07	(1,490,406.31)
Unrealized loss on fair value adjustment	53,458.12	702,495.13	53,458.12	702,495.13
Provisions for employee benefits	4,659,333.00	4,524,977.00	4,408,473.00	4,277,966.00
Employee joint investment program	1,296,136.05	-	1,296,136.05	-
Interest income	(118,756.07)	(652,209.41)	(234,723.21)	(907,841.41)
Interest expenses	4,239,883.97	1,682,775.71	4,239,883.97	1,682,775.71
Profit from operating activities before changes in operating assets and liabilities	100,097,277.27	100,052,557.01	88,253,198.37	88,150,292.84
Changes in operating assets (increase) decrease				
Trade and other receivables	(1,789,164.94)	(48,743,437.71)	(5,612,119.04)	(46,332,582.29)
Contract assets	(26,347,433.64)	52,701,088.49	(23,585,922.47)	48,634,267.14
Inventories	(48,381,164.05)	(35,546,376.08)	(33,191,487.82)	(32,827,974.20)
Other current assets	737,859.00	(55,109.55)	737,859.00	(55,109.55)
Other non-current assets	(5,804,093.84)	(4,811,768.10)	(5,158,612.34)	(4,598,845.60)
Changes in operating liabilities increase (decrease)				
Trade and other payables	(16,010,932.84)	41,092,617.09	(15,954,171.06)	42,766,006.29
Contract liabilities	11,295,987.98	(11,347,535.13)	10,166,714.98	(11,182,001.91)
Other non-current liabilities	224,235.38	218,026.39	217,623.57	216,619.70
Cash generated from operations	14,022,570.32	93,560,062.41	15,873,083.19	84,770,672.42
Income tax paid	(18,485,896.40)	(22,688,420.96)	(16,544,992.17)	(19,157,769.24)
Net cash provided by (used in) operating activities	(4,463,326.08)	70,871,641.45	(671,908.98)	65,612,903.18

FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities:				
(Increase) decrease in short-term loans to related party	-	-	(2,000,000.00)	7,000,000.00
Purchases of assets	(29,042,699.58)	(87,931,075.74)	(29,042,699.58)	(87,928,375.74)
Proceeds from disposal of assets	262,183.17	558,411.25	262,183.17	558,317.79
Purchases of intangible assets	(3,452,091.96)	(558,630.05)	(3,452,091.96)	(558,630.05)
Interest received	122,332.53	661,382.02	225,135.29	952,849.63
Net cash used in investing activities	(32,110,275.84)	(87,269,912.52)	(34,007,473.08)	(79,975,838.37)
Cash flows from financing activities:				
Proceeds from short-term borrowings from financial institutions	130,317,286.99	12,383,478.55	130,317,286.99	12,383,478.55
Repayments of short-term borrowings from financial institutions	(84,760,176.23)	(6,232,285.37)	(84,760,176.23)	(6,232,285.37)
Repayments of lease liabilities	(1,357,712.24)	(1,370,161.51)	(1,357,712.24)	(1,370,161.51)
Interest paid	(3,427,314.01)	(1,680,789.37)	(3,427,314.01)	(1,680,789.37)
Dividend paid	(24,089,078.36)	(65,895,740.60)	(24,089,078.36)	(65,895,740.60)
Net cash provided by (used in) financing activities	16,683,006.15	(62,795,498.30)	16,683,006.15	(62,795,498.30)
Net decrease in cash and cash equivalents	(19,890,595.77)	(79,193,769.37)	(17,996,375.91)	(77,158,433.49)
Cash and cash equivalents at the beginning of the year	37,296,033.90	116,489,803.27	33,490,774.83	110,649,208.32
Cash and cash equivalents at the end of the year	17,405,438.13	37,296,033.90	15,494,398.92	33,490,774.83
Supplementary information for cash flows:				
Non-cash items				
- Purchases of assets that have not yet been paid	1,567,760.00	25,728,040.79	1,567,760.00	25,728,040.79
- Assets acquired by entering into lease agreements	-	60,208,235.10	-	60,208,235.10
- Dividend payable	58,674.10	147,752.46	58,674.10	147,752.46

FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2021****1. GENERAL INFORMATION**

Firetrade Engineering Public Company Limited (“the Company”) was incorporated in Thailand under the Civil and Commercial Code on 2 November 1999 and became a public company limited on 8 August 2016. The Company’s principal activities are to sales of fire protection equipment and systems, design, installation, repair and maintenance the fire protection systems.

On 27 July 2017, the Company was listed on the Stock Exchange of Thailand.

The registered office of the Company is at 1198/5 Rama 9 Road, Phattanakan Sub-district, Suanluang District, Bangkok.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions in accordance with generally accepted accounting principles in Thailand.

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

The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

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

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

BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements consisted of the financial statements of Firetrade Engineering Public Company Limited, and its subsidiary (together referred to as “the Group”) as follows:

Subsidiary	Located in	Business type	Percentage of holding (%)	
			2021	2020
Fire Inspector Co., Ltd.	Thailand	Sales, installation and provide service of fire protection equipment and systems.	99.99	99.99

All significant intercompany transactions and accounts are eliminated in preparing the consolidated financial statements.

The preparations of the consolidated financial statements have been based on the same accounting policies for the same or similar accounting transactions or accounting events.

Subsidiary is an entity controlled by the Company. The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that significantly affect the amount of its returns. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates.

However, the Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

Changes in application of revised TFRS

Revised TFRS that became effective in the current year

During the year 2021, the Group has adopted revised TFRS which are effective for the accounting period beginning on or after 1 January 2021. These TFRS were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

Revised TFRS not yet effective

The Federation of Accounting Professions has issued Notification, mandating the use of revised TFRS which are effective for the financial statements for the period beginning on or after 1 January 2022. These TFRS were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is assessing the impacts of these TFRS on the financial statements for the year in which they are initially applied.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**The measurement bases used in preparing the financial statements**

Other than those disclosed elsewhere in the summary of significant accounting policies and other notes to the financial statements, the financial statements are prepared on the historical cost basis.

Revenues

Revenue excluding value added tax and is arrived at after deduction of trade discounts.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Revenue from sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer. Sale is measured at the amount of the consideration received or receivable, of goods supplied after deducting returns and discounts, excluding value added tax.

Revenue from project works

Revenue from project works includes the initial amount agreed in the contract plus any variations in project works, claims and incentive payments if revenue is probable incurred and reliable measure. When project works are reliable estimated, revenue and cost of project works are recognised in profit or loss in proportion of the stage of completion of project works.

The stage of completion of project work is estimated by reference to the proportion of project work cost is incurred for work performed up to date and estimate of total project work cost.

If the estimate of project work is unreliable, revenue from project work will be recognised not excess the project work cost is incurred and probably recoverable.

When it is probable that total project work costs will be exceed total revenue from project work, the expected loss of project work will be recognised in profit or loss.

Revenue from service

Service income is recognised when services are rendered.

The part of completed project work, which has not yet been delivered for acceptance and billing, is recorded as contract assets.

The obligation to provide to a customer for which the Group has received from the customer is presented under the caption of contract liability. Contract liabilities are recognised as revenue when the Company and its subsidiaries perform under the contract.

Rental income

Rental income under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income

Dividend income is recognised when the right to receive the dividend is established.

Interest income and other income

Interest income

Interest income is recognised in profit or loss using the effective interest rate method.

Other income is recognised on an accrual basis.

Expenses

Finance costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the costs of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Other expenses are recognised on an accrual basis.

Employee benefits

Short-term benefits

The Group recognises salaries, wages, bonus and social security contribution as expenses when incurred.

Post-employment benefits – defined contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Post-employment benefits – defined benefit plan

The employee benefit liabilities in relation to the severance payment under the labor law are recognised as a charge to results of operations over the employee's service year. It is calculated by the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Group through the service year up to the retirement age in the future years based on the actuarial technique. The reference discount rate is the yield rate of government bonds as at the reporting date. The calculation is based on the actuarial technique using the Projected Unit Credit Method. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

When the actuarial assumptions are changed, the Group recognises actuarial gains (losses) immediately in other comprehensive income.

Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised directly in shareholders' equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of reporting period date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of reporting period date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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 Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation techniques 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 Group determines 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.

Financial instruments

The Group initially measures financial assets at their 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 as disclosed in the accounting policy relating to revenue recognition.

The classification and measurement of financial assets and financial liabilities

Financial assets as subsequently measured at amortised cost or fair value in accordance with the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets as follows:

Financial assets measured at amortised cost only if both following conditions are met: the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised on trade date and subsequently measured at amortised cost net of allowance for expected credit losses (if any).

Financial assets measured at fair value through profit or loss when the financial assets are held within a business model without an objective to hold financial assets in order to collect contractual cash flows or the contractual terms of the financial assets give rise on specified dates to cash flows that are not solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value and are subsequently measured

at fair value. Unrealised gains or losses from changes in fair value, and gains or losses on disposals of instruments are recognised in profit or loss.

Financial liabilities are classified and measured at amortised cost.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets which measured at amortised cost, without requiring a credit - impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks, and highly liquid short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade and other receivables are stated at their invoice value less allowance for expected credit losses.

The Group is to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

In determining an allowance for expected credit losses of receivables, the management needs to make judgment for estimated losses for each outstanding debtor. The allowance for expected credit losses are determined through a combination of analysis of collection experience, probability of collection, debt aging, taking into account change in the current economic and assumption including the choice of inputs the forecasted macroeconomic variables in the model. However, the use of

different estimates and assumptions could affect the amounts of allowance for expected credit losses and adjustments to the allowance may therefore be required in the future.

Inventories

Inventories are valued at the lower of weighted average cost method or net realizable value.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less the costs to make the sale.

An allowance is made for obsolete and slow-moving inventories.

Investments in subsidiary

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

Investment property

Investment property are land held for capital appreciation but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Land is stated at cost less allowance for impairment (if any).

Property, plant and equipment

Land is stated at cost less allowance for impairment (if any).

Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Subsequent costs

The cost of replacing a part of an item of buildings and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of buildings and equipment are recognised in profit or loss as incurred.

Gains or losses on disposals are determined by comparing the net consideration with the carrying amount and are included in the profit or loss.

Depreciation

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of assets as follows:

	Years
Buildings and building improvement	20 and 40
Furniture, fixtures and office equipment	5 and 10
Tools	5
Vehicles	5 and 7

No depreciation is provided on land and assets in progress.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Leases

Right-of-use assets

The Group 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, 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 Group 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 as follows:

	Years
Buildings	20

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the Group'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.

Intangible assets

Intangible assets are software computer, which are amortised and computed by the straight-line method based on the estimated useful lives of the assets for 3 years, 5 years and 10 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount is the greater of the assets' fair value less cost to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Estimate installation project costs

The Group estimates costs of each installation projects based on details of the installation design, and calculate quantity and costs of materials, labour and others which used to complete the projects and accompany with determine the trend of changes in those costs. Estimate costs are reviewed regularly and whenever actual costs are significant difference from the estimate costs.

Provision for loss on installation project

Management exercises judgment to estimate the probable loss of each installation project, based on estimates the probable costs by determine progress of installation, actual costs together with changes in costs of materials and labour and current situation.

Provision for penalty from delay delivery

The Group has provision incurred from delay delivery. The management applied judgement in estimating the penalty based on contract rate and the period of delay installation project. The Group has recorded provision for penalty from delay delivery in the financial statements. However, actual results could differ from the estimates.

Provision for warranty

A provision for warranty is recognised when the goods are sold or services are rendered to the customers. Provision is determined based on historical warranty payment experience couple with a review of the possibility factors on incurrance of such damage.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are converted at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are converted to Thai Baht at the foreign exchange rates ruling at that date.

Gain or loss on conversion is included in the statement of income.

Share-based payments

The grant-date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in shareholders' equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service conditions are expected to be met.

Treasury shares

When share capital recognised as shareholders' equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from shareholders' equity.

Dividends

Dividends and interim dividend payments are recorded in the consolidated and separate financial statements in the period in which they are approved by the Shareholders' Meeting and the Board of Directors' Meeting.

Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year by the weighted average number of ordinary shares outstanding during the year.

4. RELATED PARTY TRANSACTIONS

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of businesses and were concluded on commercial terms and agreed upon between the Group and those related parties.

The significant transactions with related parties for the years ended 31 December 2021 and 2020 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Revenues from sales				
Subsidiary	-	-	25,941,661.58	11,810,590.91
Related companies	430,257.00	991,788.00	430,257.00	991,788.00
Revenues from services				
Subsidiary	-	-	3,576,444.68	3,795,694.70
Interest income				
Subsidiary	-	-	121,109.57	263,232.86
Other income				
Subsidiary	-	-	799,700.00	644,504.32
Related companies	1,656,061.62	1,341,948.08	1,656,061.62	1,341,948.08
Purchases of goods				
Subsidiary	-	-	8,989,996.57	4,965,341.63
Related companies	459,823.00	849,109.00	459,823.00	831,334.00
Cost of services				
Related companies	620,563.35	562,144.28	571,439.76	474,590.58
Service expenses				
Related companies	4,425,900.00	2,998,963.34	4,425,900.00	2,998,963.34
	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest expenses				
Related companies	2,374,111.80	1,628,801.82	2,374,111.80	1,628,801.82
Purchases of equipment				
Related company	-	6,089.00	-	6,089.00

Key management personnel compensation

Key management personnel compensation for the years ended 31 December 2021 and 2020 consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term benefits	19,183,072.15	20,899,793.18	17,402,501.28	19,176,071.26
Post-employment benefits	2,065,489.70	3,631,122.50	1,794,883.50	3,293,246.50
Total	21,248,561.85	24,530,915.68	19,197,384.78	22,469,317.76

The balances with related parties as at 31 December 2021 and 2020 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade and other receivables				
Fire Inspector Co., Ltd.	-	-	5,954,703.95	2,220,037.20
Safety Factory Co., Ltd.	449.40	-	449.40	-
S.I. Firetrade Co., Ltd.	3,199.30	24,921.51	3,199.30	24,921.51
Safety Online Co.,Ltd.	85,578.60	403,484.59	85,578.60	403,484.59
Econlite Manufacturing (Thailand) Co., Ltd.	-	8,951.82	-	8,951.82
Investments in subsidiary (see Note 8)	-	-	12,848,835.17	12,848,835.17
Other non-current assets				
Safety Factory Co., Ltd.	1,474,900.00	1,474,900.00	1,474,900.00	1,474,900.00
Trade and other payables				
Fire Inspector Co., Ltd.	-	-	2,038,936.07	3,786.89
Safety Factory Co., Ltd.	2,360,167.04	-	2,360,167.04	-
Econlite Manufacturing (Thailand) Co., Ltd.	43,248.21	63,975.82	32,213.90	49,511.89
Safety Online Co., Ltd.	79,217.45	52,859.07	79,217.45	52,243.82

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Lease liabilities				
Safety Factory Co., Ltd.	57,480,361.35	58,838,073.59	57,480,361.35	58,838,073.59
Other non-current liabilities				
Fire Inspector Co., Ltd.	-	-	22,000.00	22,000.00

Short-term loans to related party

	Baht	
	Separate financial statements	
	2021	2020
Fire Inspector Co., Ltd.	5,000,000.00	3,000,000.00

Movements of short-term loans to related party for the years ended 31 December 2021 and 2020 were as follows:

	Baht	
	Separate financial statements	
	2021	2020
Beginning balance	3,000,000.00	10,000,000.00
Increase	5,000,000.00	-
Decrease	(3,000,000.00)	(7,000,000.00)
Ending balance	5,000,000.00	3,000,000.00

The Company has short-term loans to related party by issuing promissory notes, due at call, with the interest rate of 4% - 5.50% per annum, without collateral.

Significant contracts

The Company entered into the building lease and service agreements with a related party from 27 April 2020 to 26 April 2023, with rental and service charge at the rate of Baht 0.74 million per month.

Company relationship

Company	Country	Type of relation
Fire Inspector Co., Ltd.	Thailand	Subsidiary
Safety Factory Co., Ltd.	Thailand	Common shareholders and directors
S.I. Firetrade Co., Ltd.	Thailand	Common shareholders and directors
Econlite Manufacturing (Thailand) Co., Ltd.	Thailand	Common shareholders and directors
Safety Online Co., Ltd.	Thailand	Common shareholders and directors

Bases of measurement for intercompany revenues and expenses

	Pricing Policy
Purchases and sales of goods	Cost plus mutually agreed margin
Purchases of equipment	Cost plus mutually agreed margin
Revenues from services - cost of services	Cost plus mutually agreed margin
Interest income	Negotiated agreement
Other income	Negotiated agreement
Service expenses	Negotiated agreement
Interest expenses	Interest rate of commercial bank
Guarantees for the Company's credit facilities by directors and directors' assets	No guarantee charge

5. CASH AND CASH EQUIVALENTS

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash	60,000.00	60,000.00	50,000.00	50,000.00
Cash at banks	17,345,438.13	37,236,033.90	15,444,398.92	33,440,774.83
Total	17,405,438.13	37,296,033.90	15,494,398.92	33,490,774.83

6. TRADE AND OTHER RECEIVABLES

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivables	254,203,372.66	245,037,488.37	248,438,838.82	236,173,342.20
Less Allowance for expected credit losses	(28,269,720.62)	(17,120,488.75)	(28,066,252.40)	(16,746,316.85)
Trade receivables - net	225,933,652.04	227,916,999.62	220,372,586.42	219,427,025.35
Other receivables				
Prepaid expenses	5,987,444.04	14,152,352.46	5,765,307.26	13,047,720.34
Others	6,104,494.52	5,246,124.64	5,811,086.46	5,098,705.77
Total	12,091,938.56	19,398,477.10	11,576,393.72	18,146,426.11
Less Allowance for expected credit losses	(3,390,171.30)	(1,036,700.00)	(3,390,171.30)	(1,036,700.00)
Other receivables - net	8,701,767.26	18,361,777.10	8,186,222.42	17,109,726.11
Trade and other receivable - net	234,635,419.30	246,278,776.72	228,558,808.84	236,536,751.46

Movements in the allowance for expected credit losses of trade and other receivables were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
As at 1 January	17,120,488.75	9,456,168.69	16,746,316.85	9,420,399.47
Expected credit losses	11,149,231.87	7,664,320.06	11,319,935.55	7,325,917.38
As at 31 December	28,269,720.62	17,120,488.75	28,066,252.40	16,746,316.85

As at 31 December 2021 and 2020, the Group had outstanding balances of trade receivables aged by number of months as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivables				
Current	121,627,869.00	127,383,339.82	119,191,527.14	123,972,422.76
Overdue				
Less than or equal to 3 months	76,393,791.81	70,431,034.91	73,971,338.15	68,235,639.76
Over 3 months up to 6 months	16,638,941.07	25,206,218.90	15,960,106.07	23,887,630.08
Over 6 months up to 12 months	18,144,248.81	7,678,469.09	18,144,248.81	5,886,334.16
Over 12 months	21,398,521.97	14,338,425.65	21,171,618.65	14,191,315.44
Total	254,203,372.66	245,037,488.37	248,438,838.82	236,173,342.20

The expected loss rates are based on the payment profiles of sales over a period of the last 3 years.

The information about the exposure to credit risk and expected credit losses for trade receivables as at 31 December 2021 and 2020 as follows:

	Thousand Baht					
	2021					
	Consolidated financial statements					
	Trade receivables - days past due					
			> 3 months up	> 6 months up		
	Current	≤ 3 months	to 6 months	to 12 months	> 12months	Total
Estimated total gross carrying amount						
at default amounts not past due	121,628	76,394	16,639	18,144	21,399	254,204
Lifetime expected credit losses	(23)	(214)	(892)	(5,934)	(21,207)	(28,270)
Net						225,934

Thousand Baht						
2020						
Consolidated financial statements						
Trade receivables - days past due						
> 3 months up > 6 months up						
Current	≤ 3 months	to 6 months	to 12 months	> 12months	Total	
Estimated total gross carrying amount						
at default amounts not past due	127,383	70,431	25,206	7,679	14,338	245,037
Lifetime expected credit losses	-	(1,515)	(1,262)	(606)	(13,737)	(17,120)
Net						227,917

Thousand Baht						
2021						
Separate financial statements						
Trade receivables - days past due						
> 3 months up > 6 months up						
Current	≤ 3 months	to 6 months	to 12 months	> 12months	Total	
Estimated total gross carrying amount						
at default amounts not past due	119,192	73,971	15,960	18,144	21,172	248,439
Lifetime expected credit losses	-	(214)	(746)	(5,934)	(21,172)	(28,066)
Net						220,373

Thousand Baht						
2020						
Separate financial statements						
Trade receivables - days past due						
> 3 months up > 6 months up						
Current	≤ 3 months	to 6 months	to 12 months	> 12months	Total	
Estimated total gross carrying amount						
at default amounts not past due	123,972	68,236	23,888	5,886	14,191	236,173
Lifetime expected credit losses	-	(1,515)	(1,262)	(342)	(13,627)	(16,746)
Net						219,427

7. INVENTORIES

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Finished goods	373,308,884.53	331,646,940.07	345,452,123.61	318,502,512.74
Goods in transit	30,663,504.56	24,443,477.00	30,211,136.92	24,443,477.00
Work in process	499,192.03	-	474,217.03	-
Total	404,471,581.12	356,090,417.07	376,137,477.56	342,945,989.74
Less Allowance for devaluation of inventories	(14,930,959.47)	(10,015,638.28)	(13,778,006.86)	(9,471,499.08)
Inventories - net	389,540,621.65	346,074,778.79	362,359,470.70	333,474,490.66
For the years ended 31 December				
Loss on devaluation of inventories	4,915,321.19	749,248.64	4,306,507.78	724,135.51

8. INVESTMENTS IN SUBSIDIARY

	Baht		Percentage of		Baht	
	Paid-up share capital		holding (%)		Cost	
	2021	2020	2021	2020	2021	2020
Fire Inspector Co., Ltd.	10,000,000.00	10,000,000.00	99.99	99.99	12,848,835.17	12,848,835.17

9. INVESTMENT PROPERTY

	Baht	
	Consolidated and	Separate financial statements
	2021	2020
Cost of land	4,241,578.35	4,241,578.35
Less Allowance for impairment	(334,546.00)	(334,546.00)
Investment property - net	3,907,032.35	3,907,032.35

The fair value of investment property was determined by the independent appraiser, which has the appraisal value in the amount of Baht 9.98 million for the year 2021 and 2020 (see Note 27), the method used to appraise the property was Market Approach, according to the appraisal reports.

10. PROPERTY, PLANT AND EQUIPMENT

	Baht						
	Consolidated financial statements						
	Land	Buildings and building improvement	Furniture, fixtures and office equipment	Tools	Vehicles	Assets in progress	Total
Cost							
As at 1 January 2020	122,703,780.00	-	12,166,535.21	4,142,653.31	14,137,214.95	7,006,146.58	160,156,330.05
Purchases/transfer in	-	106,048,819.34	6,630,980.63	382,303.43	2,872,691.59	99,738,531.27	215,673,326.26
Disposals/transfer out	-	-	(1,070,559.84)	(114,145.52)	(1,346,841.12)	(106,744,677.85)	(109,276,224.33)
As at 31 December 2020	122,703,780.00	106,048,819.34	17,726,956.00	4,410,811.22	15,663,065.42	-	266,553,431.98
Purchases/transfer in	-	3,494,943.51	1,003,407.33	2,408,424.77	1,097,383.18	-	8,004,158.79
Disposals/transfer out	-	-	(169,713.75)	(14,156.17)	(1,139,953.27)	-	(1,323,823.19)
As at 31 December 2021	122,703,780.00	109,543,762.85	18,560,649.58	6,805,079.82	15,620,495.33	-	273,233,767.58
Accumulated depreciation							
As at 1 January 2020	-	-	9,454,732.76	2,945,188.43	10,191,171.87	-	22,591,093.06
Depreciation	-	576,757.47	1,745,408.79	449,083.18	718,528.91	-	3,489,778.35
Disposals/transfer out	-	-	(1,032,425.34)	(102,125.10)	(1,286,996.34)	-	(2,421,546.78)
As at 31 December 2020	-	576,757.47	10,167,716.21	3,292,146.51	9,622,704.44	-	23,659,324.63
Depreciation	-	3,606,919.77	2,180,166.21	734,181.30	863,669.22	-	7,384,936.50
Disposals/transfer out	-	-	(92,622.89)	(12,626.88)	(1,039,951.27)	-	(1,145,201.04)
As at 31 December 2021	-	4,183,677.24	12,255,259.53	4,013,700.93	9,446,422.39	-	29,899,060.09
Book value							
As at 31 December 2020	122,703,780.00	105,472,061.87	7,559,239.79	1,118,664.71	6,040,360.98	-	242,894,107.35
As at 31 December 2021	122,703,780.00	105,360,085.61	6,305,390.05	2,791,378.89	6,174,072.94	-	243,334,707.49

Baht

	Separate financial statements					
	Land	Buildings and building improvement	Furniture, fixtures and office equipment	Tools	Vehicles	Assets in progress
Cost						Total
As at 1 January 2020	122,703,780.00	-	11,963,230.47	4,039,041.07	14,137,214.95	7,006,146.58
Purchases/transfer in	-	106,048,819.34	6,628,280.63	382,303.43	2,872,691.59	99,738,531.27
Disposals/transfer out	-	-	(1,065,670.00)	(113,795.52)	(1,346,841.12)	(106,744,677.85)
As at 31 December 2020	122,703,780.00	106,048,819.34	17,525,841.10	4,307,548.98	15,663,065.42	266,249,054.84
Purchases/transfer in	-	3,494,943.51	1,003,407.33	2,408,424.77	1,097,383.18	-
Disposals/transfer out	-	-	(169,713.75)	(14,156.17)	(1,139,953.27)	-
As at 31 December 2021	122,703,780.00	109,543,762.85	18,359,534.68	6,701,817.58	15,620,495.33	272,929,390.44
Accumulated depreciation						
As at 1 January 2020	-	-	9,282,027.76	2,901,623.70	10,191,171.87	-
Depreciation	-	576,757.47	1,729,649.66	434,263.43	718,528.91	-
Disposals/transfer out	-	-	(1,028,423.31)	(101,776.10)	(1,286,996.34)	-
As at 31 December 2020	-	576,757.47	9,983,254.11	3,234,111.03	9,622,704.44	-
Depreciation	-	3,606,919.77	2,170,768.72	719,895.30	863,669.22	-
Disposals/transfer out	-	-	(92,622.89)	(12,626.88)	(1,039,951.27)	-
As at 31 December 2021	-	4,183,677.24	12,061,399.94	3,941,379.45	9,446,422.39	-
Book value						
As at 31 December 2020	122,703,780.00	105,472,061.87	7,542,586.99	1,073,437.95	6,040,360.98	-
As at 31 December 2021	122,703,780.00	105,360,085.61	6,298,134.74	2,760,438.13	6,174,072.94	-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Depreciation for the years ended 31 December				
was included in administrative expenses	<u>7,384,936.50</u>	<u>3,489,778.35</u>	<u>7,361,253.01</u>	<u>3,459,199.47</u>
As at 31 December				
the carrying amount before accumulated depreciation				
which have been fully depreciated and still in use	<u>17,928,939.85</u>	<u>16,707,381.30</u>	<u>17,717,917.51</u>	<u>16,522,199.56</u>

11. RIGHT-OF-USE ASSETS

	Baht	
	Consolidated and	Separate
	financial statements	financial statements
	Buildings	
Cost		
As at 31 December 2020		<u>60,208,235.10</u>
As at 31 December 2021		<u>60,208,235.10</u>
Accumulated depreciation		
As at 1 January 2020		-
Depreciation		<u>2,015,166.31</u>
As at 31 December 2020		<u>2,015,166.31</u>
Depreciation		<u>3,010,697.34</u>
As at 31 December 2021		<u>5,025,863.65</u>
Net book value		
As at 31 December 2020		<u>58,193,068.79</u>
As at 31 December 2021		<u>55,182,371.45</u>
	Baht	
	Consolidated and	Separate
	financial statements	financial statements
	2021	2020
Depreciation for the years ended 31 December		
was included in administrative expenses	<u>3,010,697.34</u>	<u>2,015,166.31</u>

12. INTANGIBLE ASSETS

	Baht	
	Computer Program	
	Consolidated financial	Separate financial
	statements	statements
Cost		
As at 1 January 2020	17,659,228.75	17,516,149.35
Purchases	728,380.05	728,380.05
Disposals	(39,288.16)	(39,288.16)
As at 31 December 2020	18,348,320.64	18,205,241.24
Purchases	330,351.96	330,351.96
Disposals	(181,784.53)	(181,784.53)
As at 31 December 2021	18,496,888.07	18,353,808.67
Accumulated amortisation		
As at 1 January 2020	3,238,625.60	3,194,410.42
Amortisation	5,113,629.18	5,099,320.26
Disposals	(39,287.16)	(39,287.16)
As at 31 December 2020	8,312,967.62	8,254,443.52
Amortisation	5,128,355.76	5,114,046.84
Disposals	(181,780.53)	(181,780.53)
As at 31 December 2021	13,259,542.85	13,186,709.83
Net book value		
As at 31 December 2020	10,035,353.02	9,950,797.72
As at 31 December 2021	5,237,345.22	5,167,098.84

13. DEFERRED TAX

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets	20,381,120.32	15,077,751.47	19,348,188.25	14,080,366.20
Deferred tax liabilities	(455,926.44)	(362,900.61)	(455,926.44)	(362,900.61)
Deferred tax assets - net	19,925,193.88	14,714,850.86	18,892,261.81	13,717,465.59

Movements of deferred tax assets and liabilities during the years were as follows:

	Baht					
	Consolidated financial statements					
	Other					
	1 January 2020	Profit (loss)	comprehensive loss	31 December 2020	Profit (loss)	31 December 2021
Deferred tax assets						
Trade and other receivables	1,891,233.72	1,740,204.00	-	3,631,437.72	2,700,540.66	6,331,978.38
Contract assets	-	42,870.70	-	42,870.70	(17,569.80)	25,300.90
Inventories	1,853,277.88	149,849.78	-	2,003,127.66	983,064.23	2,986,191.89
Investment property	66,909.20	-	-	66,909.20	-	66,909.20
Right-of-use assets	-	129,000.96	-	129,000.96	192,021.82	321,022.78
Intangible assets	18,145.16	217,558.66	-	235,703.82	217,558.68	453,262.50
Contract liabilities	4,778,235.98	(150,412.80)	-	4,627,823.18	425,694.07	5,053,517.25
Provisions for employee benefits	3,385,397.80	904,995.40	(90,014.00)	4,200,379.20	931,866.60	5,132,245.80
Others	10,487.56	130,011.47	-	140,499.03	(129,807.41)	10,691.62
Total	12,003,687.30	3,164,078.17	(90,014.00)	15,077,751.47	5,303,368.85	20,381,120.32
Deferred tax liabilities						
Equipment	(236,677.54)	(126,223.07)	-	(362,900.61)	(93,025.83)	(455,926.44)
Total	(236,677.54)	(126,223.07)	-	(362,900.61)	(93,025.83)	(455,926.44)
	Baht					
	Separate financial statements					
	Other					
	1 January 2020	Profit (loss)	comprehensive loss	31 December 2020	comprehensive loss	31 December 2021
Deferred tax assets						
Trade and other receivables	1,884,079.88	1,672,523.47	-	3,556,603.35	2,734,681.39	6,291,284.74
Contract assets	-	42,870.70	-	42,870.70	(17,569.80)	25,300.90
Inventories	1,749,472.71	144,827.11	-	1,894,299.82	861,301.55	2,755,601.37
Investment property	66,909.20	-	-	66,909.20	-	66,909.20
Right-of-use assets	-	129,000.96	-	129,000.96	192,021.82	321,022.78
Intangible assets	18,145.16	217,558.66	-	235,703.82	217,558.68	453,262.50
Contract liabilities	4,162,526.44	(126,359.12)	-	4,036,167.32	527,941.22	4,564,108.54
Provisions for employee benefits	3,229,403.40	855,593.20	(106,684.60)	3,978,312.00	881,694.60	4,860,006.60
Others	10,487.56	130,011.47	-	140,499.03	(129,807.41)	10,691.62
Total	11,121,024.35	3,066,026.45	(106,684.60)	14,080,366.20	5,267,822.05	19,348,188.25
Deferred tax liabilities						
Equipment	(236,677.54)	(126,223.07)	-	(362,900.61)	(93,025.83)	(455,926.44)
Total	(236,677.54)	(126,223.07)	-	(362,900.61)	(93,025.83)	(455,926.44)

14. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

	Baht	
	Consolidated and Separate	
	financial statements	
	2021	2020
Promissory notes	51,708,303.94	6,151,193.18

Movements of short-term borrowings from financial institutions for the years ended 31 December 2021 and 2020 were as follows:

	Baht	
	Consolidated and Separate	
	financial statements	
	2021	2020
Beginning balance	6,151,193.18	-
Increase	130,317,286.99	12,383,478.55
Decrease	(84,760,176.23)	(6,232,285.37)
Ending balance	51,708,303.94	6,151,193.18

The Group has credit facilities with financial institutions consisted of:

Type	Facilities (Million Baht)		Referred interest rate	
	(% per annum)			
	2021	2020	2021	2020
Bank overdrafts	1.00	1.00	Fixed deposit	Fixed deposit
Letter of credit/trust receipt/promissory notes	68.00	38.00	MMR, MLR	MMR, MLR
Letter of guarantee	73.00	73.00	1% - 1.75%	1% - 1.75%
Forward exchange contracts	55.51	14.39	-	-

Bank deposits of the Company and director were used as collateral for the credit facilities with financial institutions and personal guarantee by the directors in the full amount.

15. TRADE AND OTHER PAYABLES

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade payables	127,366,929.37	137,361,762.56	126,404,591.58	136,252,224.80
Other payables				
Accrued expenses	15,258,427.06	14,198,888.06	14,384,482.37	13,478,392.08
Payables from purchases of assets	1,677,503.20	27,529,003.65	1,677,503.20	27,529,003.65
Retention payables	8,948,306.15	11,923,493.96	8,948,306.15	11,923,493.96
Others	4,104,839.60	5,412,962.78	4,024,281.64	5,271,589.24
Trade and other payables	157,356,005.38	196,426,111.01	155,439,164.94	194,454,703.73

16. LEASE LIABILITIES

Movements of lease liabilities for the years ended 31 December 2021 and 2020 were presented belows:

	Baht	
	Consolidated and Separate financial statements	
	2021	2020
As at 1 January	58,838,073.59	-
Additions	-	60,208,235.10
Payments	(1,357,712.24)	(1,370,161.51)
As at 31 December	57,480,361.35	58,838,073.59
Less Current portion	(2,829,136.29)	(2,050,588.20)
Lease liabilities	54,651,225.06	56,787,485.39

The lease agreement expenses recognised in profit or loss for the years ended 31 December 2021 and 2020 consisted of:

	Baht	
	Consolidated and Separate financial statements	
	2021	2020
Depreciation of right-of-use assets	3,010,697.34	2,015,166.31
Interest expense on lease liabilities	2,374,111.80	1,628,801.82
Expenses relating to leases of low value assets	295,000.00	3,433,600.00
Total	5,679,809.14	7,077,568.13

The Group entered into the office lease agreement for use in its operations. Lease terms together with periods covered by an option to extend the lease is reasonably certain to exercise that option, with the terms of the contracts approximately 20 years.

As at 31 December 2021 and 2020, the Group has the future minimum lease payments required under the lease agreements as follows:

Year	Baht		
	2021		
	Consolidated and Separate financial statements		
	Present value	Deferred interest	Minimum lease payments
1	2,829,136.29	3,070,463.71	5,899,600.00
2 - 5	9,475,630.08	8,223,169.92	17,698,800.00
Over 5 years	45,175,594.98	13,451,680.02	58,627,275.00
Total	57,480,361.35	24,745,313.65	82,225,675.00

Year	Baht		
	2020		
	Consolidated and Separate financial statements		
	Present value	Deferred interest	Minimum lease payments
1	2,050,588.20	2,374,111.80	4,424,700.00
2 - 5	9,095,621.37	8,603,178.63	17,698,800.00
Over 5 years	47,691,864.02	15,360,110.90	63,051,974.92
Total	58,838,073.59	26,337,401.33	85,175,474.92

The Group had total cash outflows for leases for the years ended 31 December 2021 and 2020 of Baht 2.95 million and Baht 3 million, in the consolidated financial statements and separate financial statements.

17. PROVISIONS FOR EMPLOYEE BENEFITS

Movements of the present value of provisions employee benefits for the years ended 31 December 2021 and 2020 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Post-employment benefit plan				
Beginning balance as at 1 January	21,001,896.00	16,926,989.00	19,891,560.00	16,147,017.00
Included in profit or loss :				
Current service cost	4,348,965.00	4,061,313.00	4,116,093.00	3,837,154.00
Interest cost	310,368.00	463,664.00	292,380.00	440,812.00
Included in other comprehensive income:				
Actuarial (gain) loss arising from:				
Demographic assumptions changes	-	5,227,437.00	-	4,936,922.00
Financial assumptions changes	-	(1,354,456.00)	-	(1,276,134.00)
Experience adjustments	-	(4,323,051.00)	-	(4,194,211.00)
Ending balance as at 31 December	25,661,229.00	21,001,896.00	24,300,033.00	19,891,560.00

As at 31 December 2021 and 2020, the weighted average duration of the liabilities for post-employment benefits in the consolidated and separate financial statements is approximately 15.77 years.

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at 31 December 2021 and 2020 are summarised belows:

	Baht			
	2021			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (1 percent movement)	(3,261,628.00)	3,924,923.00	(3,078,325.00)	3,708,795.00
Salary increase rate (1 percent movement)	3,705,477.00	(3,150,572.00)	3,497,954.00	(2,970,749.00)
Turnover rate (1 percent movement)	(3,470,364.00)	1,872,140.00	(3,276,274.00)	1,782,698.00

	Baht			
	2020			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (1 percent movement)	(2,755,403.00)	3,326,083.00	(2,597,103.00)	3,137,868.00
Salary increase rate (1 percent movement)	2,912,755.00	(2,486,613.00)	2,744,216.00	(2,340,450.00)
Turnover rate (1 percent movement)	(2,934,908.00)	1,625,725.00	(2,766,832.00)	1,540,717.00

The principal assumptions used in determining provisions for retirement benefits on an actuarial basis as at 31 December 2021 and 2020 (expressed as weighted averages) are shown belows:

	Consolidated	Separate
	financial statements	financial statements
Discount rate	1.47%, 1.62%	1.47%
Salary increase rate	6%	6%
Turnover rate	0% - 28%	0% - 28%

The Group made define benefit plan in accordance with severance payment as the labor law which entitled retired employee within work service year in various rates, such as employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days of the last month salary.

18. SHARE PREMIUM

Section 51 of the Public Limited Companies Act B.E. 2535 requires companies to set aside share subscriptions received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

19. LEGAL RESERVE

According to the Public Limited Companies Act, the Company is required to set aside as a statutory reserve of at least 5% of its net profit for the year less the deficit brought forward (if any) until the reserve reaches 10% of the registered share capital.

20. DIVIDEND PAYMENT

The Ordinary General Meeting of Shareholders held on 5 April 2021, a resolution was passed authorizing the payment of dividend at the rate of Baht 0.04 per share, in the total amount of Baht 24 million.

The Board of Directors' Meeting held on 30 March 2020, a resolution was passed authorizing the payment of interim dividend at the rate of Baht 0.09 per share, in the total amount of Baht 54 million.

The Board of Directors' Meeting held on 14 August 2020, a resolution was passed authorizing the payment of interim dividend at the rate of Baht 0.02 per share, in the total amount of Baht 12 million.

21. PROVIDENT FUND

The Group and its employees jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The fund is contributed to by both the employees and the Group. The Fund is managed by BBL Asset Management Co., Ltd. This Fund is registered under the conditions of Ministry of Finance and the fund is managed by the approved fund manager. In 2021, the Group paid contribution to the Fund in the amount of Baht 2.28 million (2020: Baht 2.38 million) in the consolidated financial statements and Baht 2.13 million (2020: Baht 2.22 million) in the separate financial statements.

22. EMPLOYEE JOINT INVESTMENT PROGRAM (EJIP)

On 13 September 2018, The Company received the approval of Employee Joint Investment Program ("EJIP") from Securities and Exchange Commission. EJIP is an investment program for accumulative buying of the Company's shares on a periodic basis by the employees of the Company and its subsidiary. The Company will make deduction from the payroll of eligible employees who voluntarily join the EJIP, at the rate not over 5% of the salary of each month. The Company will contribute 100% of the amount contributed by EJIP participants. The first program, effective for the period from October 2018 to September 2021. And the second program effective for the period from October 2021 to September 2024. Total expense recognised for the program for the year ended 31 December 2021 amounted to Baht 1.68 million (2020: Baht 1.66 million) in the consolidated financial statements and amounted to Baht 1.58 million (2020: Baht 1.55 million) in the separate financial statements.

23. EXPENSES BY NATURE

Significant expenses by nature for the years ended 31 December 2021 and 2020 were as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Purchases of merchandise	617,926,385.64	547,262,532.05	604,943,133.57	531,940,957.61
Changes in merchandise	(41,661,944.46)	(31,289,162.11)	(26,949,610.87)	(26,900,529.88)
Employee expenses	136,883,790.58	132,760,323.06	131,710,013.34	127,747,353.96
Contractor charges	138,001,831.15	110,446,726.57	123,233,275.92	106,277,594.18
Rental and office service charges	6,756,106.04	8,732,654.33	6,752,272.62	8,723,191.63
Transportation - out expenses	5,429,095.73	6,925,404.98	5,334,884.73	6,658,525.45
Depreciation and amortisation expenses	15,523,989.60	10,618,573.84	15,485,997.19	10,573,686.04
Expected credit losses	13,560,483.17	8,915,373.57	13,731,186.85	8,576,970.89

24. INCOME TAX

Tax expense recognised in profit or loss for the years ended 31 December 2021 and 2020 as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current tax				
Current year	16,986,134.85	17,956,557.72	14,440,826.40	15,736,192.38
Deferred tax				
Movements in temporary differences	(5,210,343.02)	(3,037,855.10)	(5,174,796.22)	(2,939,803.38)
Tax expense	11,775,791.83	14,918,702.62	9,266,030.18	12,796,389.00

Tax recognised in other comprehensive income for the years ended 31 December 2021 and 2020 as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Provisions for employee benefits	-	90,014.00	-	106,684.60

Reconciliation of effective tax rate

	Consolidated financial statements			
	2021		2020	
	Tax rate		Tax rate	
	(%)	Baht	(%)	Baht
Profit before income tax		55,800,584.25		75,450,193.55
Income tax using the corporate tax rate	20	11,160,116.85	20	15,090,038.71
Revenues treated as revenues for tax purposes		1,674,233.30		1,491,819.61
Expenses not deductible for tax purposes		5,509,838.28		3,547,863.71
Revenues granted income tax exemption		(1,493,843.84)		(1,616,982.83)
Addition expenses deductible for tax purposes		(187,954.89)		(478,304.55)
Effects of elimination entries on consolidation		323,745.15		(77,876.93)
Current tax	30	16,986,134.85	24	17,956,557.72
Movements in temporary differences		(5,210,343.02)		(3,037,855.10)
Tax expense	21	11,775,791.83	20	14,918,702.62

	Separate financial statements			
	2021		2020	
	Tax rate		Tax rate	
	(%)	Baht	(%)	Baht
Profit before income tax		44,801,629.57		64,459,717.18
Income tax using the corporate tax rate	20	8,960,325.92	20	12,891,943.44
Revenues treated as revenues for tax purposes		1,583,474.45		1,298,765.29
Expenses not deductible for tax purposes		5,370,753.33		3,423,293.03
Revenues granted income tax exemption		(1,286,437.84)		(1,399,874.83)
Addition expenses deductible for tax purposes		(187,289.46)		(477,934.55)
Current tax	32	14,440,826.40	25	15,736,192.38
Movements in temporary differences		(5,174,796.22)		(2,939,803.38)
Tax expense	21	9,266,030.18	20	12,796,389.00

25. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the directors of the Company.

The Group operated in two main business segments, namely sales of fire protection equipment and systems and project works and services (design, installation, repair and maintenance of fire protection systems). Its operations are in a single

geographic area primarily in Thailand which consider, basing on the types of activities, the operating income and expenses for the years ended 31 December 2021 and 2020 were as follows:

	Baht					
	From sales		From project works and services		Total	
	2021	2020	2021	2020	2021	2020
Revenues	560,295,879.57	569,362,310.27	445,168,862.90	337,842,099.74	1,005,464,742.47	907,204,410.01
Cost	(411,502,095.11)	(403,495,963.29)	(364,786,927.26)	(278,998,211.33)	(776,289,022.37)	(682,494,174.62)
Gross profit	148,793,784.46	165,866,346.98	80,381,935.64	58,843,888.41	229,175,720.10	224,710,235.39

26. FINANCIAL INSTRUMENTS

Financial risk management

The Group's financial instruments, as defined under Thai Financial Reporting Standard No. 7 "Financial Instruments: Disclosure", principally comprise cash and cash equivalents, trade and other receivables, contract assets, short-term loans, other financial assets, trade and other payables, short-term borrowings, lease liabilities and other financial liabilities. The financial risks associated with these financial instruments and how they are managed is described belows:

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, also monitors the level of dividends to ordinary shareholders.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group does not have significant concentration of credit risk. The Group's management manages the risk by adopting credit control policies and procedures. Therefore, the Group does not expect to incur material financial loss. The maximum exposure to credit risk is limited to the carrying amount of receivables less allowance for expected credit losses as stated in the statement of financial position.

Liquidity risk

Liquidity risk is the risk that the Group will be unable to liquidate its financial assets and/or procure sufficient funds to discharge its obligations in a timely manner, resulting in the Group incurring a financial loss.

The Group manages liquidity risk through monitoring and planning of its cash flows, including the arrangement of credit facilities with financial institutions, in order to ensure that it will have sufficient funds for its operations.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2021 and 2020 based on contractual undiscounted cash flows, are as follows:

Thousand Baht					
Consolidated financial statements as at 31 December 2021					
	Within		Over	No	
On demand	1 year	1 - 5 years	5 years	maturity	Total
Non-derivative financial liabilities					
Short-term borrowings					
from financial institutions	-	51,708	-	-	51,708
Trade and other payables	-	156,827	-	-	156,827
Lease liabilities	-	5,900	17,699	58,627	82,226

Thousand Baht					
Consolidated financial statements as at 31 December 2020					
	Within		Over	No	
On demand	1 year	1 - 5 years	5 years	maturity	Total
Non-derivative financial liabilities					
Short-term borrowings					
from financial institutions	-	6,151	-	-	6,151
Trade and other payables	-	192,636	-	-	192,636
Lease liabilities	-	4,424	17,699	63,052	85,175

Thousand Baht					
Separate financial statements as at 31 December 2021					
	Within		Over	No	
On demand	1 year	1 - 5 years	5 years	maturity	Total
Non-derivative financial liabilities					
Short-term borrowings					
from financial institutions	-	51,708	-	-	51,708
Trade and other payables	-	154,910	-	-	154,910
Lease liabilities	-	5,900	17,699	58,627	82,226

Thousand Baht

	Separate financial statements as at 31 December 2020					
	Within		Over		No	Total
	On demand	1 year	1 - 5 years	5 years	maturity	
Non-derivative financial liabilities						
Short-term borrowings						
from financial institutions	-	6,151	-	-	-	6,151
Trade and other payables	-	190,729	-	-	-	190,729
Lease liabilities	-	4,424	17,699	63,052	-	85,175

Market risk**Interest rate risk**

Interest rate risk is the uncertainty in value of financial assets and financial liabilities or net interest income as a result of the fluctuation of the market interest rate.

Most of the interest rates of financial assets and financial liabilities of the Group are floating rates, which are based on market rates such as the interest rate for the outstanding clients of commercial banks, savings/fixed deposit interest rate or other benchmark floating rates.

Significant financial assets and financial liabilities as at 31 December 2021 and 2020 classified by type of interest rates are summarised in the table belows, with those financial assets and financial liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

	Thousand Baht						
	Consolidated financial statements as at 31 December 2021						
	Fixed Interest Rate				Non-interest		Interest Rate (%)
	Remaining Period before Contract						
	Maturity or Repricing Date						
	Floating	Under	Over		Bearing	Total	
	Interest Rate	1 year	1 - 5 years	5 years			
Financial assets							
Cash and cash equivalents	17,153	-	-	-	252	17,405	0.1% - 0.125%
Trade and other receivables	-	-	-	-	228,595	228,595	-
Contract assets	-	-	-	-	86,577	86,577	-
Deposits at financial institutions							
under pledge	4,300	-	-	-	-	4,300	0.45%
Financial liabilities							
Short-term borrowings							
from financial institutions	51,708	-	-	-	-	51,708	4.1% - 5.25%
Trade and other payables	-	-	-	-	156,881	156,881	-
Lease liabilities	-	2,829	9,476	45,175	-	57,480	4.1%

Thousand Baht							
Consolidated financial statements as at 31 December 2020							
Fixed Interest Rate							
Remaining Period before Contract							
Maturity or Repricing Date							
Floating	Under	Over		Non-interest			
Interest Rate	1 year	1 - 5 years	5 years	Bearing	Total	Interest Rate (%)	
Financial assets							
Cash and cash equivalents	36,875	-	-	-	421	37,296	0.1% - 0.125%
Trade and other receivables	-	-	-	-	229,137	229,137	-
Contract assets	-	-	-	-	60,287	60,287	-
Deposits at financial institutions							
under pledge	4,300	-	-	-	-	4,300	0.44%
Financial liabilities							
Short-term borrowings							
from financial institutions	6,151	-	-	-	-	6,151	4.2% - 5.25%
Trade and other payables	-	-	-	-	193,338	193,338	-
Lease liabilities	-	2,050	9,096	47,692	-	58,838	4.1%

Thousand Baht							
Separate financial statements as at 31 December 2021							
Fixed Interest Rate							
Remaining Period before Contract							
Maturity or Repricing Date							
Floating	Under	Over		Non-interest			
Interest Rate	1 year	1 - 5 years	5 years	Bearing	Total	Interest Rate (%)	
Financial assets							
Cash and cash equivalents	15,253	-	-	-	242	15,495	0.1% - 0.125%
Trade and other receivables	-	-	-	-	222,741	222,741	-
Contract assets	-	-	-	-	76,102	76,102	-
Short-term loans to related party	-	-	5,000	-	-	5,000	4% - 5.5%
Deposits at financial institutions							
under pledge	4,300	-	-	-	-	4,300	0.45%
Financial liabilities							
Short-term borrowings							
from financial institutions	51,708	-	-	-	-	51,708	4.1% - 5.25%
Trade and other payables	-	-	-	-	154,964	154,964	-
Lease liabilities	-	2,829	9,476	45,175	-	57,480	4.1%

Thousand Baht							
Separate financial statements as at 31 December 2020							
	Fixed Interest Rate				Non-interest Bearing	Total	Interest Rate (%)
	Floating Interest Rate	Remaining Period before Contract					
		Maturity or Repricing Date					
		Under 1 year	1 - 5 years	Over 5 years			
Financial assets							
Cash and cash equivalents	33,226	-	-	-	265	33,491	0.1% - 0.125%
Trade and other receivables	-	-	-	-	220,661	220,661	-
Contract assets	-	-	-	-	52,574	52,574	-
Short-term loans to related party	-	-	3,000	-	-	3,000	4%
Deposits at financial institutions							
under pledge	4,300	-	-	-	-	4,300	0.44%
Financial liabilities							
Short-term borrowings							
from financial institutions	6,151	-	-	-	-	6,151	4.2% - 5.25%
Trade and other payables	-	-	-	-	191,431	191,431	-
Lease liabilities	-	2,050	9,096	47,692	-	58,838	4.1%

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trade payables that are denominated in foreign currencies.

The significant balances of financial liabilities denominated in foreign currencies as at 31 December 2021 and 2020 are summarised belows:

Foreign currencies	Financial liabilities		Average exchange rates	
	2021	2020	2021	2020
(Baht per 1 foreign currency unit)				
United States Dollar	1,958,791.06	2,578,479.65	33.5959	30.2068
Singapore Dollar	197,792.90	46,025.00	25.0254	22.9540
Euro	1,079.36	66,506.00	38.2813	37.2578
Pound Sterling	58,374.32	55,070.00	45.5492	41.0771

The Group has outstanding forward exchange contracts as follows:

As at 31 December 2021			
Bought amount	Sold amount	Contractual exchange rate	Value date
(Baht per 1 foreign currency unit)			

The Company

USD 0.85 million	Baht 28.21 million	32.7520 – 33.5320	January - February 2022
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As at 31 December 2020

Bought amount	Sold amount	Contractual exchange rate	Value date
(Baht per 1 foreign currency unit)			
<u>The Company</u>			
USD 1.52 million	Baht 46.39 million	30.0450 – 31.1720	January - April 2021

FAIR VALUE OF FINANCIAL INSTRUMENTS

As at 31 December 2021 and 2020, the carrying value and fair value of financial liabilities were as follows:

	Baht	
	2021	
	Consolidated and Separate financial statements	
	Fair value through	
	profit or loss	Fair value
Financial liabilities		
Forward bought contracts	53,458.12	53,458.12
	Baht	
	2020	
	Consolidated and Separate financial statements	
	Fair value through	
	profit or loss	Fair value
Financial liabilities		
Forward bought contracts	702,495.13	702,495.13

Most of financial assets are cash and cash equivalents, trade and other receivables, contract assets and most of the financial liabilities are trade and other payables which are short-term. For short-term loans to related party, deposits at financial institutions under pledge, lease liabilities and borrowings carrying interest approximate to the market rate. Their fair values are not expected to be materially different from the carrying amounts presented in the statement of financial position.

27. FAIR VALUE HIERARCHY

As at 31 December 2021 and 2020, the Company had the assets and liabilities that were measured or disclosed at fair value using different levels of inputs as follows:

	Baht			
	2021			
	Consolidated and Separate financial statements			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value				
Forward bought contracts	-	(53,458.12)	-	(53,458.12)
Assets for which fair value are disclosed				
Investment property	-	9,979,000.00	-	9,979,000.00
	Baht			
	2020			
	Consolidated and Separate financial statements			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value				
Forward bought contracts	-	(702,495.13)	-	(702,495.13)
Assets for which fair value are disclosed				
Investment property	-	9,979,000.00	-	9,979,000.00

Valuation techniques and inputs to Level 2 valuation

The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves.

During the years, there were no transfers within the fair value hierarchy.

28. COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2021 the Group had commitments as follows:

The Company

28.1 Letters of guarantee issued by banks for goods and installation of system service agreement in the amount of Baht 61.60 million.

28.2 Payments under office service agreements with other companies and related company and payments under warehouse rental agreements with other companies as follows:

Period	Rental and service (Thousand Baht)
1 year	4,425
2 - 5 years	1,426

28.3 Payments under service agreements in the amount of Baht 23.43 million.

The Subsidiary

28.4 Letters of guarantee issued by banks for goods and installation of system service agreement in the amount of Baht 0.36 million.

28.5 Payments under service agreements in the amount of Baht 2.39 million.

Contingent liabilities

The Company

The Company was sued for the return of assets, which foreclosed from breaking the contract and pay for loss of use of such assets at the rate of Baht 2,500 per day from the date that the Company was sued until the date when return such assets. Currently, this case is under consideration by the Civil Court. However, the management believes that the Company will not incur losses as a result of this case.

29. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the Company's Board of Directors on 25 February 2022.

Appendix 1

Details of Directors, Executives, Controlling person who has the highest responsibility in Accounting and Finance, Chief Accountant and Company Secretary

Details of Directors, Executives, Controlling person who has the highest responsibility in Accounting and Finance, Chief Accountant and Company Secretary

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
1.	Mr. Pornsak Limboonyaprasert - Chairman of the Board of Directors - Chairman of the Audit Committee - Independent Director - Nomination and Remuneration Committee (Given name-surname) - None –	64	- Bachelor's degree, Faculty of Commerce and Accountancy, Chulalongkorn University - Director Accreditation Program (DAP) Class 76/2008	None	None	11 August 2016 – Present	- Chairman of the Board of Directors - Chairman of the Audit Committee - Independent Director - Nomination and Remuneration Committee	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing equipment and systems related to firefighting
						2017 – Present	- Associate Judge	Central Intellectual Property and International Trade Court	-Government Agency
						2014 – 2017	- Associate Judge of Employer Party	Central Labor Court	-Government Agency
						2013 – Present	- Company's Director	PSL & SONS Limited Partnership	-Broker, trading agent in direct sales business including various consumer products

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
2.	Mr. Taksin Tantipijit - Vice Chairman - Executive Chairman - Chairman of the Risk Management Committee - Nomination and Remuneration Committee - Managing Director - Chief Executive Officer (Given name- surname) - None –	58	-X MBA, Thammasat University -Bachelor's degree, Faculty of Engineering, Chulalongkorn University -Director Accreditation Program (DAP) Class 127/2016	Spouse of Mrs. Pattamaporn Tantipijit	38.46%	2005 – Present	- Company's Director	Organic Agro Management Company Limited	-Import, export and distribution of living things
						2008 – 2017	- Independent Director - Audit Committee	DAII Group Public Company Limited	-Production and distribution of prefabricated fences
2.	Mr. Taksin Tantipijit - Vice Chairman - Executive Chairman - Chairman of the Risk Management Committee - Nomination and Remuneration Committee - Managing Director - Chief Executive Officer (Given name- surname) - None –	58	-X MBA, Thammasat University -Bachelor's degree, Faculty of Engineering, Chulalongkorn University -Director Accreditation Program (DAP) Class 127/2016	Spouse of Mrs. Pattamaporn Tantipijit	38.46%	11 August 2016 – Present	- Vice Chairman - Authorized Director - Company's Director - Chairman of the Risk Management Committee - Nomination and Remuneration Committee - Managing Director	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing equipment and systems related to firefighting
						2 November 1999 – 14 November 2021	- Chief Executive Officer		

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
						11 May 2007 – Present	<ul style="list-style-type: none"> - Company's Director - Managing Director - Authorized Director - Chief Executive Officer 	Fire Inspector Company Limited	<ul style="list-style-type: none"> -Importer and distributor of automatic fire suppression systems Including providing design, distribution, procurement, installation, inspection, repair and maintenance of systems related to fire extinguishing systems for specific brands that the company has been appointed as a distributor for 2 brands at present
						11 May 2007 – Present	<ul style="list-style-type: none"> - Company's Director - Managing Director - Authorized Director 	S.I. Firetrade Company Limited	<ul style="list-style-type: none"> -Distribution and renting of printers and packaging, distribution of printing ink, packaging, spare parts, printer components, distribution of uninterruptible power supplies and refrigeration
						9 April 2014 – Present	<ul style="list-style-type: none"> - Company's Director - Managing Director - Authorized Director 	Safety Factory Company Limited	<ul style="list-style-type: none"> -Import and distribution of tools and personal safety equipment

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
						13 March 2009 – Present	- Company's Director - Managing Director - Authorized Director	Econlight Manufacturing (Thailand) Company Limited	-Production and distribution of emergency signal equipment and backup power systems
						9 August 2019 – Present	- Company's Director - Managing Director - Authorized Director	Safety Online Company Limited	-Import and distribution of tools and personal safety equipment
3.	Mr. Sirichai Towiriyawate - Company's Director - Audit Committee - Independent Director - Chairman of Nomination and Remuneration Committee (Given name- surname) - None –	58	- MBA, University of Florida, USA. - Bachelor's degree, Faculty of Engineering (Mechanical Engineering), Chulalongkorn University - Director Accreditation Program (DAP) Class 79/2009	None	None	11 August 2016 – Present	- Company's Director - Audit Committee - Independent Director - Chairman of Nomination and Remuneration Committee	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing equipment and systems related to firefighting

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
						2015 – Present	- Board of Director	Convergence Systems Company Limited	-Providing computer services, system design, and administration
						2014 – Present	- Company's Director	P.N.P Hospital Company Limited	-Hospital activities
						2015 – Present	- Board of Director	Sahakol Equipment Public Company Limited	-Construction contractor and contractor for excavation work for soil and coal
4.	Mr. Worapon Lopansri - Company's Director - Audit Committee - Independent Director (Given name- surname) - None –	57	- MBA, Faculty of Commerce and Accountancy, Thammasat University - Bachelor's degree, Faculty of Commerce and Accountancy, Thammasat University - Director Accreditation Program (DAP) Class 77/2009	None	None	11 August 2016 – Present	- Company's Director - Audit Committee - Independent Director	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing equipment and systems related to firefighting

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
			- Director Certification Program (DCP) Class 167/2012			2005 – Present	- Head of Internal Audit	MSIG Insurance (Thailand) Public Company Limited	-Non-life insurance
						2014 – Present	- Independent Director - Audit Committee	S. Khon Kaen Foods Public Company Limited	-Animal products and poultry in the form of meatballs, sausages, and more, restaurants
5.	Mrs. Pattamaporn Tantipijit - Company's Director (Given name- surname) - Miss Pattamaporn Wuthimetha	58	- Bachelor's degree, Faculty of Law, Chulalongkorn University - Director Accreditation Program (DAP) Class 127/2016	Spouse of Mr. Taksin Tantipijit	7.82%	11 August 2016 – Present	- Company's Director - Authorized Director	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing equipment and systems related to firefighting

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
						17 May 2017 – Present	- Company's Director - Authorized Director	Fire Inspector Company Limited	- Importer and distributor of automatic fire suppression systems Including providing design, distribution, procurement, installation, inspection, repair and maintenance of systems related to fire extinguishing systems for specific brands that the company has been appointed as a distributor for 2 brands at present
6.	Miss Suwanee Chenchitkhachorn - Company's Director - Executive Director - Risk Management Committee - Chief Financial Officer (Given name- surname) - None –	53	- MBA, Faculty of Commerce and Accountancy, Chulalongkorn University - Bachelor's degree, Faculty of Business Administration (Accounting), Ramkhamhaeng University - Director Accreditation	None	0.02%	11 August 2016 - 5 April 2021 3 August 2015 – 31 March 2021	- Company's Director - Executive Director - Risk Management Committee - Authorized Director - Chief Financial Officer - Person who has the highest responsibility in	Firetrade Engineering Public Company Limited	- Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing equipment and systems related to firefighting

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
			Program (DAP) Class 127/2016 - Orientation Course - CFO Focus on Financial Reporting Class 3/2017 -7-hour course of summarizing key practical issues of TFRS 9 and TFRS 16				Accounting and Finance		
7.	Miss Pen Yodklang - Company's Director - Executive Director - Account Manager - Acting for the position of the Chief Financial Officer (CFO) (Given name- surname) - None –	44	- Bachelor's degree, Faculty of Business Administration (Accounting), Ramkhamhaeng University - Director Accreditation Program (DAP) Class 127/2016	Spouse of Mr. Akkachai Noppasenee	0.04%	11 August 2016 – Present 1 January 2015 – Present	- Company's Director - Executive Director - Authorized Director - Account Manager - Accounting Supervisor	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
			<ul style="list-style-type: none"> - 7-hour course of summarizing key practical issues of TFRS 9 and TFRS 16 - 6-hour course of the New Land and Building Tax Act 			2011 – 2014 1 April 2021 – Present	<ul style="list-style-type: none"> - Head of Accounting and Finance - Acting for the position of the Chief Financial Officer (CFO) 		
			<ul style="list-style-type: none"> - 6-hour in-depth course on how to pay stamp duty on 5 electronic instruments and 28 contracts that accountants must know with special caution 5th CFO Orientation Course for New IPOs 			17 May 2017 – Present	<ul style="list-style-type: none"> - Company's Director - Authorized Director 	Fire Inspector Company Limited	<ul style="list-style-type: none"> - Importer and distributor of automatic fire suppression systems - Including providing design, distribution, procurement, installation, inspection, repair and maintenance of systems related to fire extinguishing systems for specific brands that the company has been appointed as a distributor for 2 brands at present

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
8.	Miss Nathira Cheewasutho - Company's Director - Executive Director -Risk Management Committee - Purchasing Manager (Given name- surname) - None –	47	- Bachelor's degree, Faculty of Humanities (English), Srinakharinwirot University	None	0.03%	6 April 2021 – Present 2011-Present	- Company's Director - Executive Director - Risk Management Committee - Authorized Director - Purchasing Manager	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing
9.	Mr. Monmarit Tharapongsawas - Executive Director -Risk Management Committee -Chief Operation Officer (Given name- surname) - None –	46	-MBA, Faculty of Commerce and Accountancy, Chulalongkorn University -Bachelor's degree, Faculty of Engineering (Electrical Engineering), Chulalongkorn University	None	None	10 August 2018 – 31 May 2021 4 June 2018 – 31 May 2021	- Executive Director - Risk Management Committee - Chief Operation Officer	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
						2016 – 2018	- Company's Director	WL (Thailand) Co., Ltd.	-International Shipping Service
						2016 – 2018	- Company's Director	Phelps Dodge International (Thailand) Co., Ltd.	-Production and distribution of copper wires, aluminum wires, electrical wires, and cables made from copper and aluminum
						2016 – 2018	- Company's Director	MM Logistics Company Limited	-Freight forwarding service, Renting and managing warehouses in the duty free zone, Bonded warehouses, General warehouse and Services for import- export formalities
						2016 – 2018	- Company's Director	Adisorn Songkhla Company Limited	- Freight Forwarding, renting, and warehouse management, Production for work and worker employment for the petroleum exploration and production industry
						2016 – 2018	- Company's Director	Industrial Construction and Maintenance Services Public Company Limited	- Providing cleaning, washing, vacuuming, high-pressure cleaning services in petrochemical industry, construction of

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
						2016 – 2018	- Company's Director	Propet (Thailand) Company Limited	steel structures and installation of renewable energy power generation systems - Production and distribution of all kinds of plastic products and design and make molds of all kinds of plastic products
10.	Mr.Boonlert Santiworanart - Executive Director - Risk Management Committee -Sales Manager of fire suppression system Special Project (Given name- surname) - None –	58	-MBA (Marketing Management), NIDA -Bachelor's degree, Faculty of Engineering (Civil Engineering), King Mongkut's Institute of Technology Thonburi	None	0.002%	11 August 2016 – Present 2012 – 31 December 2019 1 January 2020 – Present	- Executive Director - Risk Management Committee - Sales Manager of fire suppression system - Sales Manager of fire suppression system (Special Project)	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
11.	Mr. Prapan Chitcharoenchai - Executive Director - Risk Management Committee - Sales Manager of Fire Protection Equipments Department (Given name- surname) - None –	45	-Bachelor's degree, Faculty of Engineering (Mechanical Engineering), Kasetsart University	None	0.004%	11 August 2016 – Present 2011 – Present	- Executive Director - Risk Management Committee - Sales Manager of Fire Protection Equipments Department	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing
12.	Miss Khanita Khetarun - Executive Director - Human Resource and Administrative Manager Department (Given name- surname) - None –	39	- Bachelor's degree, Faculty of Political Science (Public Administration), Ramkhamhaeng University	None	None	11 August 2016 – Present 2011 – Present	- Executive Director - Human Resource and Administrative Manager Department	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
13.	Mrs.Srisurat Siwanart -Warehouse and Transport Manager Department (Given name- surname) - Miss Srisurat Jomkeeree	43	- High Vocational Certificate in Business Computer, Bangkok Business College	None	0.02%	2011 – Present	- Warehouse and Transport Manager Department	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing
14.	Mr. Prin Burikam -Sales Manager of fire suppression system Department (Given name- surname) - None –	33	-Bachelor's degree, Faculty of Engineering (Environmental Engineering), Chulalongkorn University	None	0.002%	1 January 2020 – Present 2012 - 2019	- Sales Manager of Fire Suppression System Department - Sales Manager of Fire Suppression System Division	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
15.	Mr. Akkachai Noppasenee - Sales Manager of Fire Protection Equipments Department (Given name- surname) Mr. Chaysakon Noppasenee	38	- Bachelor's degree, Faculty of Engineering (Mechanical Engineering), Kasetsart University	Spouse of Miss Pen Yodklang	0.002%	1 January 2021 – Present 2018 – 2021 2016 – 2018	- Sales Manager of Fire Protection Equipments Department - Sales Manager of Fire Protection Equipments Division - Sales Team Leader	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing
16.	Miss Somkamol Pholwarin -Company Secretary (Given name- surname) Miss Somjit Sae-Ang	43	-Bachelor's degree, Faculty of Arts (Office Information), Sukhothai Thammathirat Open University -Company Secretary Program Class 63/2015 -Company Reporting Program Class 19/2017	None	0.001%	11 August 2016 – Present 2015 – 2016 2011 – 2014	- Company Secretary - Administrative Manager - Head of Administrative Task	Firetrade Engineering Public Company Limited	-Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing

Information on holding the Company's Administrative and Supervisor positions

Name of Directors / Executives / Supervisors	Company	Subsidiary	Related Company			
			2	3	4	5
1.Mr. Pornsak Limboonyaprasert	x, xx, xxx, xxxx					
2.Mr. Taksin Tantipijit	xx, @, /, //, /// (38.46%)	xx, @, /, //, /// (<0.01%)	xx, @, /, // (50.00%)	xx, @, /, // (20.00%)	xx, @, /, // (42.50%)	xx, @, /, // (40.00%)
3.Mr.Sirichai Towiriyawate	xx, xxx, xxxx					
4. Mr. Worapon Lopansri	xx, xxx, xxxx					
5.Mrs. Pattamaporn Tantipijit	xx, @, /, // (7.82%)	xx, @	/// (30.00%)	/// (20.00%)	/// (5.00%)	/// (40.00%)
6.Miss Suwanee Chenchitkhachorn	xx, @, /, //, /// (0.02%)					
7.Miss Pen Yodklang	xx, @, /, //, /// (0.04%)	xx, @				
8. Miss Nathira Cheewasutho	xx, @, /, //, /// (0.03%)					
9. Mr. Monnarit Tharapongsawas	/, //					
10. Mr.Boonlert Santiworanart	/, //, /// (0.002%)					
11. Mr. Prapan Chitcharoenchai	/, //, /// (0.004%)					
12. Miss Khanita Khetarun	/, //					
13. Mrs.Srisurat Siwanart	//, /// (0.02%)					
14. Mr. Prin Burikam	//, /// (0.002%)					
15. Mr. Akkachai Noppasenee	//, /// (0.002%)					

Note: 1) x = Chairman, xx = Director, xxx = Audit Committee, xxxx = Independent Director, @ = Authorized Director, / = Executive Director, // = Executive, /// = Shareholder
 2) Subsidiaries under the same supervision criteria in the consolidated financial statements of the audited Company and subsidiaries / reviewed by auditors
 3) The numbers in parentheses show the percentage of shareholding in that company.

Name of Directors / Executives / Supervisors	Company	Subsidiary	Related Company			
	Firetrade Engineering Public Company Limited	1	6	7	8	9
1. Mr. Pomsak Limboonyprasert	x, xx, xxx, xxxx		xx, /// (45.00%)	xx, /// (50.00%)		
2. Mr. Taksin Tantipijit	xx, @, /, /, /, / (38.46%)	xx, @, /, /, / (<0.01%)				
3. Mr. Sirichai Towriyawate	xx, xxx, xxxx				xx, /// (0.0001%)	xx
4. Mr. Worapon Lopansri	xx, xxx, xxxx					
5. Mrs. Pattamaporn Tantipijit	xx, @, /, /, /, / (7.82%)	xx, @				
6. Miss Suwanee Chenchitkhachorn	xx, @, /, /, /, / (0.02%)					
7. Miss Pen Yodkhang	xx, @, /, /, /, / (0.04%)	xx, @				
8. Miss Nathira Cheewasutho	/, /, /, / (0.03%)					
9. Mr. Monmarit Tharapongsawas	/, /, /					
10. Mr. Boonlert Santiworanart	/, /, /, /, / (0.002%)					
11. Mr. Prapan Chittharoenchai	/, /, /, /, / (0.004%)					
12. Miss Khanita Khetarun	/, /, /					
13. Mrs. Srisurat Siwanart	/, /, /, / (0.02%)					
14. Mr. Prin Burikam	/, /, /, / (0.002%)					
15. Mr. Akkachai Noppasenee	/, /, /, / (0.002%)					

Note: 1) x = Chairman, xx = Director, xxx = Audit Committee, xxxx = Independent Director, @ = Authorized Director, / = Executive Director, // = Executive, /// = Shareholder
 2) Subsidiaries under the same supervision criteria in the consolidated financial statements of the audited Company and subsidiaries / reviewed by auditors
 3) The numbers in parentheses show the percentage of shareholding in that company.

Name of Directors / Executives / Supervisors	Company		Subsidiary	Related Company	
	Firetrade Engineering Public Company Limited			10	11
1. Mr. Pomsak Limboonyaprasert	x, xx, xxx, xxxx				
2. Mr. Taksin Tantipijit	xx, @, /, //, /// (38.46%)	xx, @, /, //, /// (<0.01%)			
3. Mr. Sirichai Towiriyawate	xx, xxx, xxxx		xx		
4. Mr. Worapon Lopansri	xx, xxx, xxxx				xxx, xxxx
5. Mrs. Pattamaporn Tantipijit	xx, @, /, //, /// (7.82%)	xx, @			
6. Miss Suwanee Chenchitkhachorn	xx, @, /, //, /// (0.02%)				
7. Miss Pen Yodklang	xx, @, /, //, /// (0.04%)	xx, @			
8. Miss Nathira Cheewasutho	//, /// (0.03%)				
9. Mr. Monnarit Tharapongsawas	/, //				
10. Mr. Boonlert Santiworanart	/, //, /// (0.002%)				
11. Mr. Prapan Chittharoenchai	/, //, /// (0.004%)				
12. Miss Khanita Khetarun	/, //				
13. Mrs. Srisurat Siwanart	//, /// (0.02%)				
14. Mr. Prin Burikam	//, /// (0.002%)				
15. Mr. Akkachai Noppasenee	//, /// (0.002%)				

Note: 1) x = Chairman, xx = Director, xxx = Audit Committee, xxxx = Independent Director, @ = Authorized Director, / = Executive Director, // = Executive, /// = Shareholder
 2) Subsidiaries under the same supervision criteria in the consolidated financial statements of the audited Company and subsidiaries / reviewed by auditors
 3) The numbers in parentheses show the percentage of shareholding in that company.

List of related companies

Company's Name	Nature of Business
1. Fire Inspector Company Limited	- Import and distribution of comprehensive fire extinguishing equipment, automatic fire suppression system, and fire alarm system including design, distribution, procurement, installation, repair, inspection and maintenance services for fire extinguishing equipment and systems related to firefighting
2. S.I. Firetrade Company Limited	- Distribution and renting of printers and packaging, distribution of printing ink, packaging, spare parts, printer components, distribution of uninterruptible power supplies and refrigeration
3. Safety Factory Company Limited	- Import and distribution of tools and personal safety equipment
4. Econlight Manufacturing (Thailand) Company Limited	- Production and distribution of emergency signal equipment and backup power systems
5. Safety Online Company Limited	- Import and distribution of tools and personal safety equipment
6. Organic Agro Management Company Limited	- Import, export and distribution of living things
7. PSL & SONS Limited Partnership	- Broker, trading agent in direct sales business including various consumer products
8. P.N.P Hospital Company Limited	- Hospital
9. Convergence Systems Company Limited	- Providing computer services, system design, and administration
10. Sahakol Equipment Public Company Limited	- Construction contractor and contractor for excavation work for soil and coal
11. S. Khon Kaen Foods Public Company Limited	- Animal products and poultry in the form of meatballs, sausages, and more, restaurants

Appendix 2

Details of Subsidiary Directors

Details of Subsidiary Directors

Name	Fire Inspector Company Limited
1. Mr. Taksin Tantipijit	X, @, //, /// (1 share)
2. Mrs. Pattamaporn Tantipijit	X, @
3. Mr. Krisada Lehawanich	X, @, //, /// (1 share)
4. Miss Pen Yodkliang	X, @, //

Note: 1) X = Committee, @ = Authorized Director, // = Executive, /// = Shareholder

Appendix 3

Details of the Chief of Internal Audit

Details of the Chief of Internal Audit

The Company has used an external agency (Outsource) from IVL Audit Company Limited as the auditor of the Company's internal control system. The Chief of Internal Audit has qualifications, educational backgrounds and work experiences as follows:

No.	Name/Position	Age (Years old)	Education	Family relationship between executives	Portion of shareholding in the Company (%)	Work experience in the past 5 years			
						Duration	Position	Company's name	Business type
1.	Miss Waldee Siboonrueng (Given name- surname) - None –	58	- Bachelor's degree, Chulalongkorn University, Faculty of Commerce and Accountancy - Certified Public Accountant (CPA), Registration No. 3829 - Director Accreditation Program (DAP), IOD - Audit Committee Program (ACP), IOD	-	-	1994 - Present	- Senior Partner	IVL Audit Company Limited	- Provide professional auditing and internal audit services

Appendix 4

Details of the Property Appraisal List

Details of the Property Appraisal List

The Company did not have a property appraisal list in 2021.

Appendix 5

Corporate Governance Policy and Business Ethics

Corporate Governance Policy

The Board of Directors has determined the Company to have a corporate governance policy under the principles of good governance, good corporate governance, rules and regulations of the Stock Exchange of Thailand, and the Securities and Exchange Commission to be used as a framework for the Company's business operations. The committee will review and update the policy every year to suit the changing circumstances, including focusing on treating all stakeholders with fairness, equality, transparency, and presenting information accurately.

In addition, the Board of Directors has appointed sub-committees to do auditing, internal control risk managing, and controlling the corporate governance of the Company along with encouraging executive directors and employees to work with transparency and fairness to ensure all stakeholders that the Company has complied with the principles of good corporate governance and believe that the Company will grow sustainably.

The Company has published the corporate governance policy and business ethics through the Company's website for better understanding and to encourage compliance by directors, executive directors, and employees of all levels and stakeholders, including communication and dissemination for orientation for company directors, executive directors, and new employees. To comply with the above guidelines, the Company has made a report on the Company's corporate governance policy with the following categories:

Section 1: Rights of Shareholders and Equitable Treatment of Shareholders

Rights of Shareholders and Shareholders' Meeting

1. The right to buy, sell or transfer shares and know accurate, complete, and transparent information for the Company's operating results, important information by period, and important information according to events by disclosing information through the Company's website and information system of the Stock Exchange of Thailand in Thai and English versions for shareholders to be informed of the news thoroughly.

2. The right to attend the shareholders' meeting, voting at the Shareholders' Meeting, and receive an equal share of profits/dividends, including the right to receive equal treatment in the repurchase of shares by the Company.

3. The right to appoint a proxy: the Company allows shareholders who are unable to attend the meeting to appoint a proxy in the form prescribed by the Department of Business Development, Ministry of Commerce and facilitate the grantor to appoint an independent director to perform the duties according to the intention of the grantor. The Company will attach the details of such independent directors with the notice of the meeting and disseminate them through the Company's website.

4. The right to attend the shareholders' meeting throughout the meeting period and vote at the shareholders' meeting except for any agenda in which the shareholders have special interests. In addition, the chairman of the meeting shall allow the shareholders to express their opinions or questions at the meeting. Answers shall be recorded in the minutes of the meeting for the shareholders who do not attend the meeting to acknowledge.

5. The right to participate in important decisions at the shareholders' meeting in addition to the authorization of the Board of Directors, for example, the approval of the minutes of the previous shareholders' meeting, approval of annual financial statements, consideration of profit

allocation and payment/cancellation of dividend payment, the election of directors to replace those who have retired, remuneration in the form of meeting allowance, bonus/pension, and other benefits of the Board of Directors, appointing the Company's auditors and setting the audit fees, including considering related transactions, acquisition, and disposition of significant assets.

6. In every shareholder meeting, the Company provides independent auditors who have no conflict of interest with the Company, and/or institutional representatives to check shareholder's documents, count the quorum, count the votes, check the results of the resolution, and the outcome of the vote to make the meeting transparent, legitimate and suitable for the regulations of the Company.

7. The Company will not add any agenda or change important information without notifying the shareholders in advance of the shareholders' meeting.

8. The Company will facilitate and encourage shareholders, including institutional investors to attend the shareholders' meeting. The Company will determine a place where shareholders can join the meeting easily.

The right to get information from the general meeting of shareholders

1. The Company has prepared a meeting invitation letter with details for each agenda. Each agenda was proposed in the notice of the shareholders' meeting that the Board of Directors has clearly expressed its opinions, including the regulations and procedures for attending the meeting. The meeting invitation letter was arranged for shareholders at least 7 days in advance of the meeting date and published on the Company's website.

2. The invitation letter for the shareholders' meeting specified the names along with the resumes of each director to be elected, types of directors, proposed Information of attendance in the previous year, date-month-year of being appointed as the Company's director in which the Company presents the names of the directors to each shareholder to vote to allow shareholders to be entitled to choose the directors they truly need.

3. The right to know information, details in the agenda for the election of auditors, and determination of the auditor's remuneration in the notice of the meeting that has set details about the auditors, affiliated companies, experiences, and competence of auditors, including the independence of the auditors and clearly defined auditor fees.

4. The right to be informed of voting procedures in resolutions, the use of the ballot, and counting the votes for each agenda before the shareholders' meeting.

5. For transparency and verification, the Company will use ballots for every agenda in the shareholders' meeting and to increase the speed and accuracy, the Company may use a computer system for registration and voting of shareholders.

6. The right to be informed of the resolutions of the Board of Directors regarding the details of the meeting, the date for determining the names of shareholders who are entitled to attend the meeting and are entitled to receive dividends, and the agenda of the shareholders' meeting in advance of the date of the shareholders' meeting by disclosing information through the Company's website and the information system of the Stock Exchange of Thailand.

7. After the shareholders' meeting, the Company has prepared the minutes of the shareholders' meeting according to the agenda together with the resolutions of the meeting and the number of votes of approval, disapproval, and abstention. The Company will submit a full copy of the minutes of the meeting within 14 days from the date of the shareholders' meeting to

the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, including disseminating information through the Company's website as well as allowing shareholders to express their opinions and ask questions at the meeting. The details will be recorded in the minutes of the shareholders' meeting.

The right to propose the agenda of the Annual General Meeting of Shareholders and nominate a person to be elected as a company director

The Company encourages shareholders to propose matters to be included as meeting agendas and nominate a person to be elected as a director of the Company as well as allowing shareholders to express their opinions and ask questions to the Board of Directors on matters related to the Company not less than 1 month in advance of the Annual General Meeting of Shareholders each year according to the regulations set by the Company which have been published through the Company's website

The right to attend the Board of Directors' general meeting and sub-committees

1. The Company promotes and supports the Chairman of the Board of Directors, the Company directors, Chief Executive Officer, and the Company's executive directors to attend every shareholder meeting to meet and answer questions of shareholders.

2. The Company promotes and supports the Chairman of all sub-committees to attend every shareholder meeting to answer shareholder's questions on issues related to sub-committees.

Section 2: Roles of Stakeholders

The Company is aware of the rights of all stakeholders equally whether external stakeholders which consist of shareholders, customers, competitors, creditors, society, community, environment, and related government sectors, including internal stakeholders which consist of the Company's employees. Because such stakeholders are the important mechanism playing a part in the development and success of the Company considered to promote the Company's performance for continuous and sustainable growth.

Therefore, the Company has established a corporate governance policy and practices of each stakeholder group in the Code of Conduct to create a better understanding for all stakeholders and create good practices for the Company's directors, executive directors, and employees of all levels. The Company has published it through the Company's website with details as follows:

Shareholders: In addition to being aware of the basic benefits that are equal to the shareholders, the Company also formulates operating guidelines following the principles of good corporate governance. There is an accurate and transparent disclosure of information, internal control and risk management, anti-corruption policy, and adequate communication channels with the Company. This is to ensure shareholders to be confident that the Company will conduct business with transparency, committed to creating growth, and stable returns for shareholders continuously in the long term.

Customers: The Company is committed to creating maximum customer satisfaction by improving the quality and service of products consistently and environmentally friendly, including the selection of raw materials and standardized production processes to ensure that you

will get good quality products and services at reasonable prices. The Company also conducts regular customer satisfaction surveys and adds channels for complaints to customers through the Company's website. The Company will keep the information of customers who complain confidentially. If such complaints are significant, they will be presented to the Board of Directors for further action.

Business partners: The Company takes into account the equality of business operations based on fairness and mutual benefit. The selection process of partners has set clear procedures and guidelines for the selection of partners with fairness and transparency. The Company takes into account reputation, standards, and good corporate governance, including doing contracts with fair trade terms and without contrary to the law. In addition, the Company has a policy not to accept money, assets, or any other unlawful benefits from business partners and does not support business partners who have misbehaved, been involved in corruption, or violated human rights as well.

Competitors: The Company operates its business following the rules of fair competition by taking into account the principles of competition law and business ethics, without committing fraud to damage the reputation of competitors or seeking competitors' trade secrets by illegal means directly and indirectly and without disclosing information of competitors in any case, including not infringing on the intellectual property of others.

Creditors: The Company treats all creditors equally and fairly by strictly complying with the terms of the agreements and contracts. We manage to ensure creditors to be confident in the Company's financial position and the ability to repay debt in full and within the specified period. If there is a change in terms, agreements, and events that significantly affect the financial position of the Company which may affect the ability to pay the debt, the Company will inform the creditors to find a solution together.

Community, Society and Environment: The Company is determined to operate its business with due regard for its impact on the community, society, and environment. The Company pays attention to social and community activities in which the Company operates to focus on health, safety, and environmental policies. In addition, executive directors and employees at all levels are encouraged to use resources with quality, worthiness and to work with a safe conscience, including considering the environment and stakeholders in parallel with the Company's sustainable growth.

Employees: The Company considers employees as important resources of the Company because they are a part of the Company's success. The Company also focuses on respecting human rights and treats all levels of employees and stakeholders with equality, without distinction based on racial, religious, gender and cultural diversity and without violating fundamental human rights. In addition, the Company has complied with labor laws with fair employment and done an employment contract with fair conditions. There is a compensation structure consistent with the knowledge, abilities, and responsibilities of the position and there is an appropriate system of payment of wages, compensation, and employee's benefits. The Company also provides good welfare and appropriate to the status of the Company to executive directors and employees, maintains a working environment that is safe for life, health, and property, allows the employees to leave, transfer as appropriate, and provides communication channels between employees and senior executive directors, including supporting the development process and enhancing knowledge skills by providing training according to the

position inside and outside the Company as necessary and appropriate to continuously and regularly develop and enhance the knowledge and competence of employees. Moreover, the Company also focuses on respecting human rights. Employees at all levels are treated equally and we do not discriminate against any employee by personal relationships.

Government Sectors: The Company is committed to supporting government operations and compliance with regulations and policies of regulatory agencies along with promoting and supporting cooperation in various activities of government agencies to join in strengthening stability and growth for the nation, including focusing on intellectual property rights or copyrighted work. The Company operates under the law or provisions related to property rights and will not operate or support any infringement of intellectual property, whether it be copyright, patent, trade secret, trademarks, information, trade names, geographical indications, and all types of intellectual property by setting a policy for directors, executive directors, officers and employees of the Company to comply with the aforementioned laws for providing transparent business operations fair and verifiable. In addition, the Company will not do business or operate with legal entities or a person committing any kind of infringement of intellectual property.

Section 3: Disclosure and Transparency

The Company focuses on the practice of disclosing information following the guidelines of the Stock Exchange of Thailand in disclosing information that is accurate, complete, and transparent so that all stakeholders, investors, analysts involved as well as those who are interested to know the details equally, whether the disclosure of information of the Thai and English version according to the accounting period and the events as follows:

1. Company documents, corporate governance policy, business ethics, company's certificate, company's regulations, memorandum of association, a notice of the shareholders' meeting, and minutes of the shareholders' meeting.
2. Financial information and there is a report on the Board of Directors' responsibility for the financial report shown in conjunction with the auditor's report, management analysis, general information, and key information in the annual report and the annual registration statement that is accurate, complete, timely and following the requirements of the Securities and Exchange Commission.
3. Structure of the Board of Directors, roles and duties of the Board of Directors and sub-committees, number of meetings, and the number of times each director attended the meeting.
4. Remuneration of directors, chief executive officer, and executive directors, by comparison with the level of performance in the same industry, experience, obligations, scope of roles and responsibilities for the remuneration of the chief executive officer and executive directors following the principles and policies set by the Board of Directors within the framework approved by the shareholders' meeting and for the best interest of the Company. In this regard, the remuneration of the Nomination and Remuneration Committee will be the duty to consider and screen before proposing to the Board of Directors and the next shareholder meeting by considering the performance along with the self-assessment of the Board of Directors, individual committees, sub-committees, and the chief executive officer.

5. Report on the interests of the Company's directors, executive directors, and related persons in the case of holding a position as a director of the Company or executive for the first time or when there is a change in stakeholder's information, the Company Secretary will prepare a stakeholder report form for directors and send a copy of the stakeholder report to the Chairman of the Board and the chairman of the audit committee within 7 working days from the date of receipt of the said report.

However, the Company has updated information all the time to match the current situation of the Company and disseminated important information through communication channels, the Company's website, and the information system of the Stock Exchange of Thailand.

Section 4: Board Responsibilities

The Board of Directors, as a representative of shareholders, has a key role in formulating the vision, mission, policies and making decisions about key policies and strategies of the Company, monitoring and auditing the executive directors' performance following the policies and strategies for the best benefits of shareholders, as well as evaluating the performance of the business related to the planned work plan. Therefore, the Board of Directors consists of experts with diverse knowledge, abilities, and experiences who can use their experiences to develop and formulate policies that will bring benefits to the Company's business operations.

In addition, the Board of Directors focuses on the disclosure of sufficient information to shareholders, investors, and all related parties. The disclosed information must be accurate, complete, transparent, thorough, and timely, including financial reports, performance, and other related information as well as information that affects the Company's stock price following the principles of good corporate governance by disseminating information and news for shareholders, investors and related parties to use for making investment decisions through various channels such as the delivery of documents by post, disclosure through the Company's website and information systems of the Stock Exchange of Thailand as well.

Board structure

The Board of Directors has determined the board structure to have various qualifications in terms of gender, skills, experience, and abilities that are useful and sufficient to perform their duties effectively. The Board consists of 7 directors: 3 directors are independent directors. It represents a ratio of three-sevenths of all directors, which is more than one-third of all directors. To counterbalance the Board, the qualifications of an independent director are following the criteria prescribed by the Office of the Securities and Exchange Commission under Clause 16 of the Notification of the Capital Market Supervisory Board No.TJ28/2551. The Company's directors appoint sub-committees such as the Nomination and Remuneration Committee, Risk Management Committee, and executive directors. However, the Company has prepared charters for all 4 sub-committees and disseminated them through the Company's website separately.

Code of Conduct

The Board of Directors has promoted the preparation of business ethics. For the Company's directors, executive directors, and employees have upheld and practiced This is considered a common duty and responsibility for the maximum benefit of the Company's

stakeholders as well as to build credibility in the operation of the business that will allow the Company to grow sustainably.

Risk Management Policy

The Board of Directors has established a risk policy covering the entire organization by starting from the process of identifying risks, risk assessment, as well as establishing risk standards to prevent effective and consistent risk management.

Guidelines for determining the remuneration of directors and senior executive directors

The Company has a clear and transparent compensation process by the Nomination and Remuneration Committee will be responsible for determining the remuneration rates of the Board of Directors and executive directors to present for approval from the Board of Directors' meeting. The committee will request approval to the shareholders' meeting with the guidelines for determining the remuneration of directors and senior executive directors and consider the appropriateness in determining the directors' remuneration based on the Company's financial status, the scope of duties and responsibilities of the Board of Directors or each executive directors to be at a level that can motivate and retain knowledgeable directors to perform their duties with the Company and can be comparable with directors' remuneration in the same or similar industries. All directors understand their duties and responsibilities as directors of the Company and are ready to express their opinions independently, including keeping themselves up-to-date all the time. They also perform their duties with honesty and prudence, taking into account the best benefits of the Company and being fair to all shareholders. Moreover, all directors devote their time to perform their duties fully and sufficiently following their responsibilities in attending the Board of Directors' meeting unless there is a necessity.

Succession Plan

The Company realizes the importance of operating the business with efficiency and continuity. Therefore, policies and criteria for selecting executive directors have been established, and succession policy with a transparent process. They will be considered from knowledge and ability including experiences and ethics as follows:

- 1) Determine important positions and duties in running the Company's business in each line/aspect/department.
- 2) Determine the qualifications of the successor director
- 3) Determine the list of executive directors in each department/unit with qualifications and readiness for succession.
- 4) Determine the lists and employees of various levels with exceptionally high potential who have the opportunity to become a successor.
- 5) Plan a defined and laid-out executive development plan, including employees and executive directors with high potential.
- 6) Review and prepare to propose to the Board of Directors annually.

Section 5: Internal Control and Risk Management

Internal Control and Internal Audit

The Company focuses on the internal control system and internal audit therefore we assign the Audit Committee to supervise the internal control system and internal audit, review the sufficiency of the internal control system, analyze and manage the internal control, including developing the internal audit systems, internal control management and internal audit work to be effective and suitable for the Company as well as to supervise for preventing conflicts of interest, corruption, or misconduct so that the Company's business can be run effectively as well as acting as a support unit for the Company to operate following the good corporate governance policy, code of business conduct, regulations and related laws. In addition, the Company has provided an audit and balance mechanism by having an internal audit unit that directly reports to the Audit Committee. This ensures that there is an independent audit function and evaluation of the efficiency and the adequacy of the internal control system.

Risk Management

The Company focuses on risk management that may occur in business operations whether caused by internal or external factors because it is an important mechanism that leads the Company to achieve its goals and commitments according to the established strategies. For that reason, the Board of Directors has assigned the Risk Management Committee to supervise the Company's risk management to be following the goals, set policies and measures for risk management for executive directors and employees at all levels to uphold, assess, and manage risks arising from the Company's business operations, whether it is a strategic risk, operational risk, financial risk, Information technology system risk, political risk, and natural disasters. The risk will be reported to the Board of Directors to find a solution and risk management methods to improve the efficiency.

Section: 6 Avoidance in Conflicts of Interest

The Board of Directors has measures to prevent conflicts of interest by setting a policy prohibiting Company's directors, executive directors, and employees of all levels to seek personal interests that may conflict with the interests of the Company or important transactions such as connected transactions and/or acquiring or disposing of the Company's assets by setting a policy, methodology, process of consideration, and approving transactions, it must comply with the internal control system relating to connected transactions and requirements of agencies governing listed companies and related laws.

Section 7: Code of Conduct

Compliance with the highest ethical standards towards other stakeholders is important to enhance the image and reputation of the Company. The Board of Directors has set up a code of conduct for the Board of Directors, executive directors, and employees to adhere as a guideline with responsibility, honesty, fairness, confidentiality, professional morality, and compliance with rules and regulations to create the confidence and trust to all groups of stakeholders and related persons.

Code of Conduct

Firetrade Engineering Public Company Limited “(the Company)” realizes the importance of management under good corporate governance principles for the Company to step up to be a quality organization with sustainable progress and to create the confidence among all stakeholders. Therefore, a handbook of ethics and code of conduct has been created. It is intended to be used as a guideline for all executive directors and employees to understand the ethics and code of conduct of the organization as well as their roles and responsibilities and campaign to raise awareness for everyone in the Company to follow in the same way.

1. Ethics and Code of Conduct towards customers

- 1.1 Treat every customer with equal equality and without discrimination.
- 1.2 Treat customers with sincerity, honesty, and fairness.
- 1.3 Products and/or services offered must be of a quality that meets the needs of customers.
- 1.4 Provide accurate information about products and/or services to customers.
- 1.5 Keep the customer’s confidentiality. Do not use it for your benefit or use it in the wrong way.

2. Ethics and Code of Conduct of the Company towards products and/or services

- 2.1 Products and/or services must be of good quality.
- 2.2 Products and/or services must meet the needs and create maximum customer satisfaction.
- 2.3 Products and/or services must meet generally accepted standards.
- 2.4 Products and/or services must be continuously developed.

3. Ethics and Code of Conduct of the Company towards the shareholders

- 3.1 Shareholders are entitled to receive share certificates and the right to transfer shares.
- 3.2 Shareholders are entitled to receive information that is sufficient, timely, and appropriate for decision-making.
- 3.3 Shareholders are entitled to attend and vote at the shareholders' meeting to make decisions.
- 3.4 Shareholders are entitled to change important policies of the Company.
- 3.5 Shareholders are entitled to elect and remove directors.
- 3.6 Shareholders are entitled to approve the appointment of auditors.
- 3.7 Shareholders are entitled to share the profits of the Company.

4. Company Ethics and Code of Conduct towards partners/competitors

- 4.1 Do not harass or slander that cause damage to partners/competitors.
- 4.2 Operate business based on right and fair competition.
- 4.3 Cooperate in disclosing information that can be disclosed by the Company.
- 4.4 Conduct business with transparency that can be checked.

5. Ethics and Code of Conduct of the Company towards government agencies

- 5.1 Strictly comply with the regulations of the law in business operations.
- 5.2 Do not give bribes to government sectors to facilitate business operations.
- 5.3 Do not support government officials in acts that imply corruption.

6. Ethics and Code of Conduct of the Company towards employees

- 6.1 Provide wages and compensation appropriate to their duties, performances, and responsibilities.
- 6.2 Provide suitable welfare to employees for the morale of the work.
- 6.3 Encourage employees to develop themselves to increase their knowledge for career advancement.
- 6.4 To be fair to all employees in every aspect.
- 6.5 Respect the privacy of employees.
- 6.6 Assign duties of employees to suit the work based on ability.
- 6.7 Encourage employees to behave following the rules and regulations of the Company and society.

7. Company Ethics and Code of Conduct towards society and the nation

- 7.1 Do not conduct an illegal and unethical business.
- 7.2 Do not infringe on the intellectual rights of other people and/or other businesses.
- 7.3 Promote free trade business.
- 7.4 Comply with standards and rules for social order.

8. Employee's Ethics and Code of Conduct towards the Company

- 8.1 Responsible for assigned tasks with care and honesty.
- 8.2 Behave and perform following the rules set by the Company.
- 8.3 Be loyal in working for the Company with the best performance.
- 8.4 Maintain the reputation and benefits of the Company.
- 8.5 Maintain information and confidentiality of customers and the Company.
- 8.6 Utilize the Company's resources wisely and for the best benefits.

In addition to the above codes of conduct, the Company focuses on anti-corruption in all activities of the Company. Therefore, guidelines have been established as follows:

1. Directors, executive directors, and employees of the Company are prohibited to act or accept or support any form of corruption directly or indirectly. This includes affiliated companies and various subcontractors as well.
2. We do not support any kind of bribery. All activities under supervision including controlling, donating for charity, donating for political parties, giving business gifts, and supporting activities must be transparent and there is no intention to convince the government or private officials to take improper actions.
3. Provide appropriate internal controls to prevent employee misconduct, especially sales, marketing, and procurement work, etc.
4. Provide knowledge on anti-corruption to executive directors and employees for promoting honesty, integrity, and responsibility for the performance of duties and responsibilities, including showing the commitment of the Company.

5. Promote a variety of communication channels to enable stakeholders to report suspicious clues by ensuring that whistleblowers will be protected from any punishment or harassment, including appointing a person to monitor every clue that has been notified.

The Company has imposed penalties for those who fail to comply with ethics and codes of conduct by considering the punishment according to the severity of the offense committed along with the history, behavior, and intention of the offender. The Company may penalize under one or multiple clauses at the same time.

Appendix 6
Audit Committee Report
&
Report of the Nomination and Remuneration Committee

Audit Committee Report of 2021

Dear shareholders

The Audit Committee of Firetrade Engineering Public Company Limited (“the Company”) consists of 3 independent directors: Mr. Pornsak Limboonyaprasert- Chairman of the Audit Committee, Mr. Sirichai Towiriyavej- Audit Committees and Mr. Worapol Lopansri - Audit Committee. All members of the Audit Committee are qualified with experience, knowledge, and expertise in engineering, financial accounting, technology, and management.

All audit committees have the qualifications as stipulated in the Company's Audit Committee Charter, including following the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. In 2021, the Audit Committee held 5 meetings, of which 1 meeting that the Audit Committee met with the auditor without the management team. At every meeting, all Audit Committee attended the meeting. They commented and gave independent feedback. The summary of key performance duties in 2021 is as follows:

1. Review the financial reports and the adequacy of disclosures

The Audit Committee had reviewed the accuracy of the quarterly financial statements of 2021 and consolidated financial statements of the Company, including reviewing various issues and the auditor's remarks by inviting relevant executives to attend the meeting to clarify and provide information every time before giving an opinion on the financial report. The Audit Committee decided the Company's financial reports were correct. The preparation was following generally accepted accounting standards and legal requirements. It had been reviewed and audited by auditors with adequate and timely disclosure of information.

2. Review the internal control system and risk management

The Audit Committee had reviewed the Company's internal control system through the internal auditor's quarterly reports and knew about reports on the progress of risk management from the management team regularly. The Audit Committee provided guidelines and recommendations to ensure that the Company's internal control system would be sufficient and appropriate, including reducing risk management to an acceptable level according to the company's business plan.

3. Review the connected transactions or transactions that may have conflicts of interest

The Audit Committee had reviewed the appropriateness of policies and procedures for entering into connected transactions following the requirements, notifications, rules, and/or relevant regulations of the Securities and Exchange Act, the announcement of the Capital Market Committee, and announcement of the Stock Exchange of Thailand, including the Securities and Exchange Commission strictly. The Audit Committee considered that the Company had implemented the policies and procedures according to the normal trading conditions reasonably, including disclosing information accurately, completely, and sufficiently.

4. Review the good corporate governance that complied with laws, regulations, and related requirements, including anti-corruption measures

The Audit Committee had reviewed and supervised the company to operate its business following the laws, regulations, including the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, including other relevant agencies strictly. Moreover, the self-assessment questionnaire on anti-corruption measures was reviewed to apply for a renewal of certification as a member of the Thai Private Sector Collective Action Coalition against Corruption in 2022.

5. Consider selecting and proposing the appointment of the auditor for 2021

The Audit Committee had considered and selected the auditor based on work experience, knowledge, credibility, and independence, including considering the audit fee appropriate to the duties and responsibilities by giving comments to the Board of Directors to propose to the 2021 shareholders' meeting. The committee considered appointing the auditor from PV Audit Company Limited as the Company's auditor for 2021 by stipulating as follows:

Mr. Prawit Viwanthananut	Certified Public Auditor No. 4917, or
Mr. Terdthong Thepmangkorn	Certified Public Auditor No. 3787, or
Ms. Chutima Wongsaraphanchai	Certified Public Auditor No. 9622, or
Mr. Boonkasem Saraklin	Certified Public Auditor No. 11888, or

Another auditor from the same office to sign as the auditors in the audit and review report from PV Audit Company for 2021 by determining the remuneration of Baht 1,425,000.00.

6. Consider reviewing and improving the Audit Committee Charter

The Audit Committee had considered the charter to improve in line with the principles of good corporate governance of the SEC and the SET, including assessing the performance of the Audit Committee collectively and individually. The evaluation results of 2021 were at a satisfactory level.

On behalf of the Audit Committee,



Mr. Pornsak Limboonyaprasert
Chairman of the Audit Committee

Report of the Nomination and Remuneration Committee of 2021

Dear shareholders,

The Nomination and Remuneration Committee of Firetrade Engineering Public Company Limited consists of 3 independent directors and executive directors, of which more than half of the total number of directors are independent directors as follows;

- | | |
|---------------------------------|---|
| 1. Mr. Sirichai Towiriyavej | Chairman of the Nomination and Remuneration Committee |
| 2. Mr. Pornsak Limboonyaprasert | Nomination and Remuneration Committee |
| 3. Mr. Taksin Tantipaijit | Nomination and Remuneration Committee |

The Nomination and Remuneration Committee has performed duties as assigned by the Board of Directors as stipulated in the Nomination and Remuneration Committee Charter with honesty, prudence, and transparency, taking into account the best interests of the Company and stakeholders in all sectors. In 2021, the Nomination and Remuneration Committee held one meeting to consider the following issues:

1. Recruitment and selection of persons to be directors

The Nomination and Remuneration Committee considered the qualifications of the directors who retire by rotation to propose to the Board of Directors for consideration and approval in the 2021 Annual General Meeting of Shareholders to consider re-election of directors to be the Company's directors for another term. In addition, minor shareholders were allowed to participate in presenting the list of qualified persons to be appointed as directors in advance for the 2021 Annual General Meeting of Shareholders.

2. Determination of remuneration for directors and sub-committees

Nomination and Remuneration Committee established the criteria and method for determining the annual remuneration of the Company's directors and sub-committees by considering the Company's operating results and economic conditions. It must be at a sufficient level to retain qualified directors with the Company. The remuneration for the directors and sub-committees was divided into 2 types: meeting allowance and annual bonus. They were presented to the Board of Directors for consideration and approval at the 2021 Annual General Meeting of Shareholders.

3. Determination of the Chief Executive Officer's Remuneration

Nomination and Remuneration Committee considered the Chief Executive Officer's remuneration to propose to the Board of Directors' meeting for approval by using the same criteria as determining the remuneration of the Board of Directors and sub-committees that are taking into account the Company's performance and economic conditions, including the results of the performance appraisal of the Chief Executive Officer.

4. Provide a self-assessment of the Board of Directors, sub-committees and individuals for 2021, and report to the Board of Directors for the acknowledgment to use the assessment results for improving the efficiency of operations.



Mr. Sirichai Towiriyavej

Chairman of the Nomination and Remuneration Committee



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