



APPLIED DB
PUBLIC COMPANY LIMITED
บริษัท แอ็พพลาย ดีบี จำกัด (มหาชน)

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



Modern chemical product for future well being and

ENVIRONMENTAL SUSTAINABLE

Plastic Compound
Adhesive
Sealant
DIY

COLLABORATION BECOMES SUCCESS



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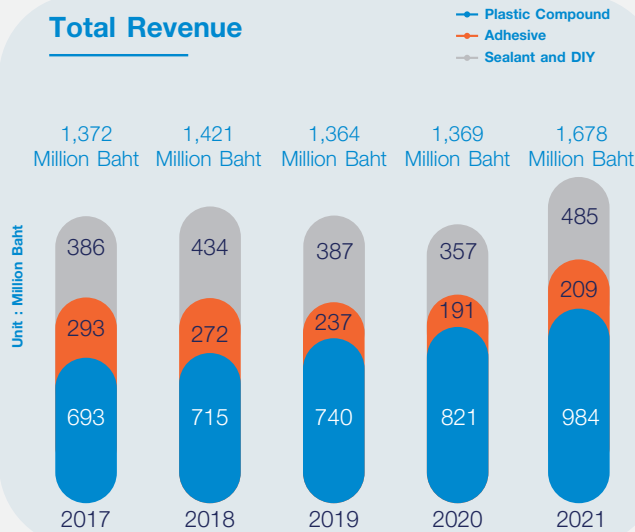
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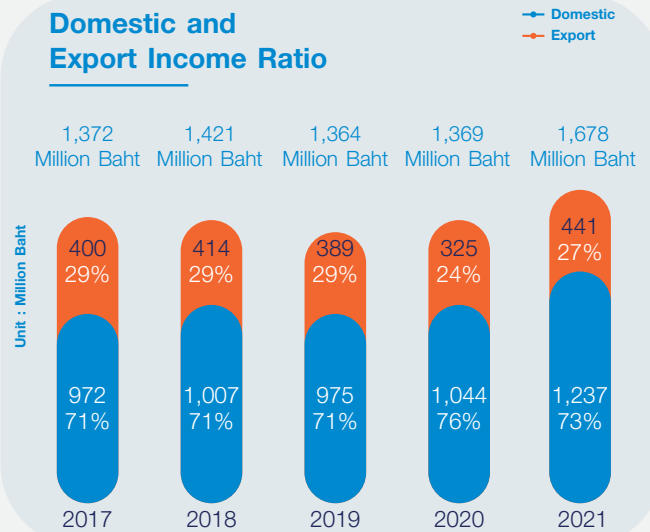
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Financial Highlights

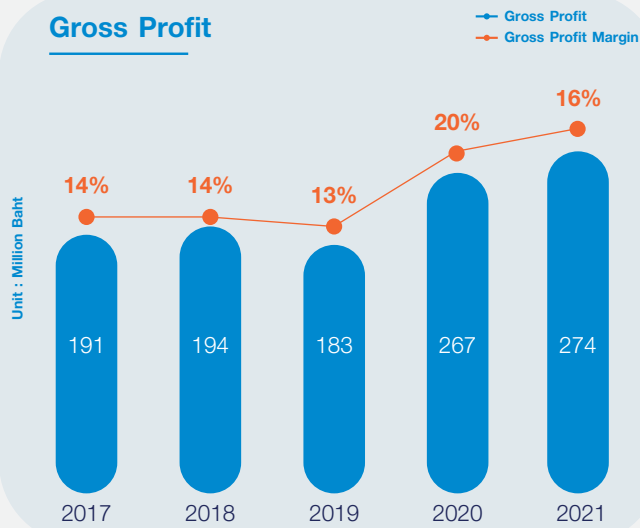
Total Revenue



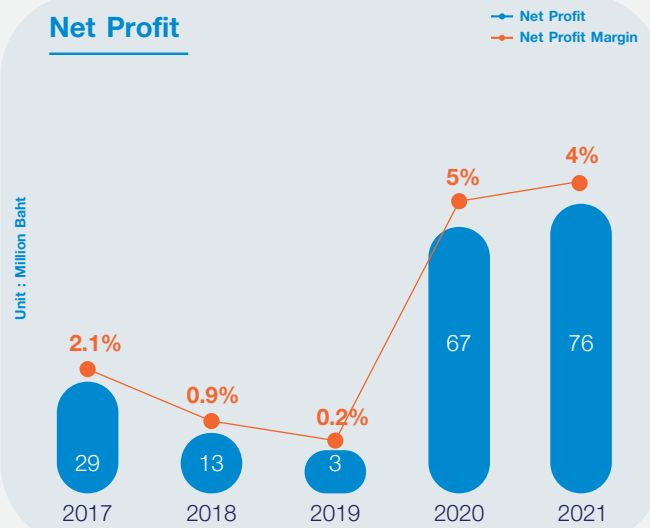
Domestic and Export Income Ratio



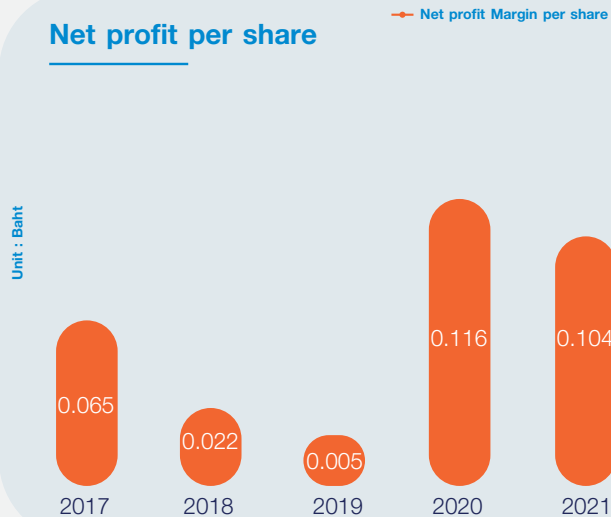
Gross Profit



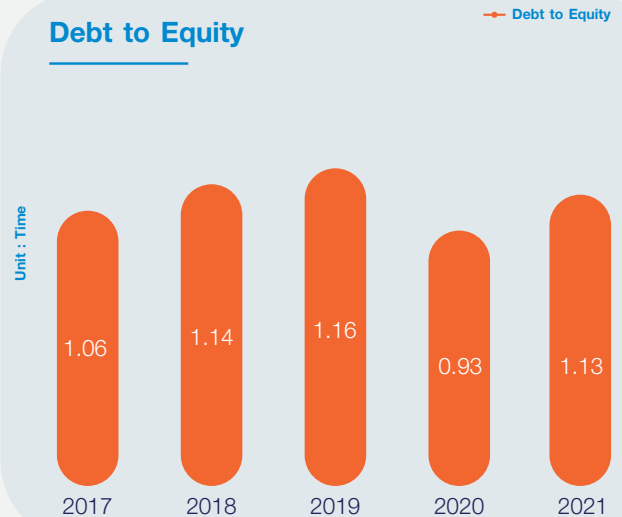
Net Profit



Net profit per share



Debt to Equity



Financial Statement

	Year 2019		Year 2020		Year 2021	
	MB	%	MB	%	MB	%
Asset						
Cash and cash equivalents	52.00	4.15	31.68	2.55	62.91	4.33
Account Receivables	335.28	26.74	365.77	29.41	385.97	26.54
Other receivables	50.43	4.02	5.51	0.44	21.12	1.45
Inventories	261.43	20.85	296.59	23.85	455.35	31.32
Current asset	699.15	55.77	699.56	56.25	925.35	63.64
Fixed asset	542.49	43.27	526.63	42.34	508.34	34.96
Other non-current asset	0.32	0.03	0.49	0.04	1.51	0.10
Total Asset	1,253.65		1,243.68		1,454.05	

	Year 2019		Year 2020		Year 2021	
	MB		MB		MB	
Liabilities						
Current liabilities	547.32		480.41		680.35	
Non-current liabilities	124.92		117.92		90.17	
Total liabilities	672.24		598.34		770.51	

	Year 2019		Year 2020		Year 2021	
Financial Ratio						
Liquidity ratio (times)	1.28		1.46		1.36	
Gross profit margin (%)	13.44		19.53		16.36	
Net profit margin (%)	0.24		5.05		4.45	
Return on Assets (%)	0.26		5.58		5.61	
Return on Equity (%)	0.56		11.36		11.39	
Debt to Equity (times)	1.16		0.93		1.13	

	Year 2019	Year 2020	Year 2021
Details of Dividend Payment			
Net Profit (based on consolidated financial statements) (Baht)	3,263,137	69,660,733	-
Number of shares (Share)	600,000,000	660,000,000	659,999,998
Dividend per share			
- Interim Dividend (Baht/Share)	-	0.05*	0.05**
- Annual Dividend (Baht/Share)	0.01	0.05	-
The total amount of dividends paid			
- Interim Dividend (Baht/Share)	-	33,336,000*	36,669,598.89**
- Annual Dividend (Baht/Share)	6,000,000	33,000,000	-
Percentage of dividend payment per net profit (%)	183.87	48.17	-

* Paying interim dividend from retained earnings of Company end of September 30, 2020 at the rate of 10 existing shares per 1 ordinary share, totaling not exceeding THB30,000,000, and cash to pay withholding tax at ratio THB0.00556, totaling not exceeding THB3,336,000.

** Paying interim dividend from retained earnings of Company end of September 30, 2021 at the rate of 10 existing shares per 1 ordinary share, totaling not exceeding THB32,999,999, and cash to pay withholding tax at ratio THB0.00556, totaling not exceeding THB3,669,599.89.



Message from Chairman of the Board



Dear Shareholders and Investors

During the uncertainty caused by various situations around us, all activities in our business operation must be cautious, and having the measure of readiness to response so that the business can run smoothly, considering the health, safety and to mitigate the impact of employees, community, and surrounding society.

Most of ADB's products are delivered to industrial customers, which this sector tends to recover from system-wide integration, jointly analyzes the risks to drive the economy to fight with the crisis effectively.

In addition to the short-term adjustments, the Company needs a clear plan to innovate the new things, especially the innovation to solve the social and environment problems in order to create a better well – being through good products development, responsibility for the entire life cycle products, including responsibility for the pollution that may occur from the manufacturing process and trying to rectify these in order to reduce the impact to zero. ADB has been selected by the Stock Exchange of Thailand as one of the Thailand Sustainability Investment (THIS) list of 2021, which is considered one of our pride and determination to run a sustainable business.

The Company's operating income in 2021 has have 1,678 million baht, increasing from the previous year for 22.55% And in 2022, the Company has set up the target of sales growth of 2,023.73 million baht, by creating production strategy, increasing the variety of products and managing the cost efficiently in accordance with the current situation.

On behalf of the Board of Directors, the Top Management and all employees of Applied DB Public Company Limited, would like to thank all shareholders, including business partners for all the trust, including the always supporting from government agencies, and private sectors to the Company's operations. The Company is committed to conduct business with awareness of its responsibility towards society, environment, stakeholders, in order for good sustainable returns.

Mr. Pawat Wongtangtrakul
Chairman of the Board

Message from Chief Executive Officer



Dear Shareholders and Investors

In 2021, we were well prepared to deal with the volatility in different ways, both macro-economic and supply chains situation. We have carefully and comprehensively formulated and prepared strategy for adaptation, in order to be ready to stably and efficiently response to every uncertainty.

The results in 2021 were the result reflecting our commitment to grow in accordance with the vision and corporate mission of the management team and all employees of Applied DB Public Company Limited. The Company has achieved its revenue goals by growing of 22.55% from the previous year. Every challenge allowed us to accelerate the development of new potential in various fields in order for the Company to grow strongly and be open for the coming all every opportunity.

The Company greatly emphasizes on the sustainable development. We are aware of our responsibility towards the environment, natural resources, and social well-being through ethical management, good corporate governance and applied ESG concepts as management principles, shifting from focusing on profits to focusing on the value of sharing sustainable resources.

The guideline for business operation in 2022, including accelerating the production of medical plastic compound products in order to respond to the increasing demand in the market, developing the capabilities of the management team to achieve the goal of increasing revenue, opening the cooperation in various fields, especially the strategy to increase the changes of selling grout products, increasing the production rate, and creating the relationships with the strategic partners in abroad.

I am as, Board of the Directors and management of Applied DB Public Company Limited, would like to thank the customers, business partners who have always trusted and supported ADB and thanked all employees for their hard work and dedication. We are committed to create products that meet the challenges of the future, to seek the sustainable returns for shareholders and investors, and we are determined to continue to further achieve stable medium to long term business goals.



Mr. Wang Wanapaison
Chief Executive Officer

THE BOARD OF DIRECTOR



● **Mr. Pawat Wongtangtrakul**
- Chairman of the Board



● **Mr. Wang Wanapaisorn**
- Director
- Risk Management Committee
- Chairman of the Executive Committee
- Chief Executive Officer



● **Mr. Rattanachai Wongcharoensin**
- Director



● **Ms. Pornpiwan Niramongcherdchay**
- Director
- Risk Management Committee
- Executive Committee
- Managing Director



● **Mr. Wei Kai Wang**
- Director
- Risk Management Committee
- Executive Committee
- Vice President of Plastic Compound Department



● **Mr. Veerachai Wongcharoensin**
- Director
- Risk Management Committee
- Executive Committee
- Vice President of Adhesives Department



● **Mr. Wuttichai Wongcharoensin**
- Director
- Risk Management Committee
- Executive Committee



● **Mr. Chung Jen Yang**
- Independent Director



● **Dr. Mongkon Laowprapong**
- Independent Director
- Chairman of the Audit Committee
- Chairman of the Risk Management Committee
- Chairman of the Investment Advisory Board Committee



● **Mrs. Monpilai H. Narasingha**
- Independent Director
- Audit Committee
- Risk Management Committee
- Investment Advisory Board Committee



● **Mrs. Kanchana Piyasatit**
- Independent Director
- Audit Committee

THE MANAGEMENT TEAM



● **Mr. Wang Wanapaisan**

- Chief Executive Officer
- Risk Management Committee
- Chairman of the Executive Committee

● **Ms. Pompiwan Niramoncherdchay**

- Managing Director
- Risk Management Committee
- Executive Committee

● **Mr. Jirawat Akkaranupornpong**

- Chief Financial Officer
- Executive Committee

● **Mr. Wei Kai Wang**

- Vice President of Plastic Compound Department
- Risk Management Committee
- Executive Committee



● **Mr. Veerachai Wongcharoensin**

- Vice President of Adhesives Department
- Risk Management Committee
- Executive Committee

● **Mr. Kang Hsu Liu**

- Vice President of Sealant and DIY Department
- Executive Committee

● **Mr. Piriya Moungram**

- Vice President of Technical Department
- Risk Management Committee
- Executive Committee

● **Mr. Siripong Luewongwattana**

- Vice President of Sales of Plastic Compound Department



● **Ms. Nutta Likitrujanont**

- Vice President of Operation Department

● **Mrs. Wichitra Thubburee**

- Vice President of Internal Control and Management System Office

● **Mr. Chang Chin Kuei**

- Vice President of Maintenance Department

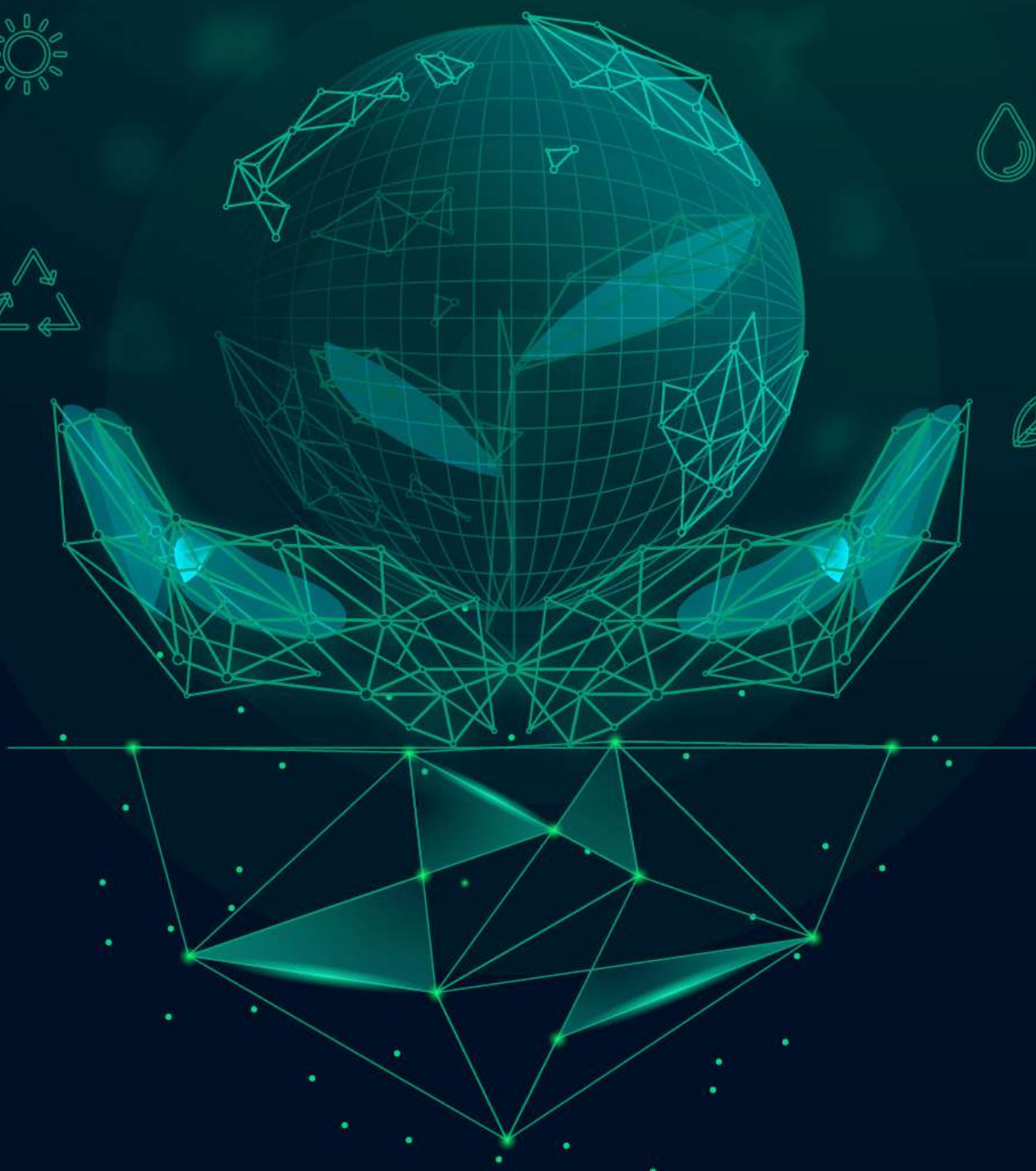
● **Ms. Sirisuda Sujariyanurak**

- Acting Vice President of HR and Development Department

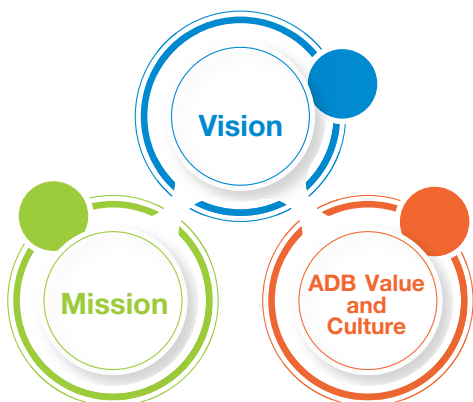
● **Mr. Chen Cheng Hsien**

- Acting Vice President of Information Technology Department

Business Operation and Operating Results



1. Organizational Structure and Operation of the Group of Companies



1.1 Policy and Business Overview

In order for the operation of the company to achieve its goals and create maximum benefits for stakeholders in all sectors, the company has therefore used the guideline to operate under the following principles.



Vision

The Company aims to be one of the manufacturers and distributors of plastic compound and adhesive and sealant products. The vision is to be a potential manufacturer of quality Plastic Compound, Adhesive and Sealant&DIY products with high management capability and international standard production procedures to create business partners and trust and serve the highest customer satisfaction.



Mission

- Being one of the leading manufacturers of PVC resins in all applications.
- Professional in troubleshooting of adhesive and sealants materials
- Produce quality products for customers, benefit society and countries that receive good returns to shareholders and recognize relevant parties as well.
- Professional management and accordance with good corporate governance principles.
- Corporate Social Responsibility.
- Personnel development, organizational development, coupled with the continued and consistent fair.



ADB Value and Culture



Professionalism

**Excellent Driven
Innovation**



Ownership and Commitment

**Integrity and Practical
Customer Priority**



Teamwork and Collaboration

Win-Win Orientation

“Creating sustainability value” is the goal and commitment for all in ADB to be aware and always behave. To build the person, create the best is the main basis for sustainability. Personnel capability development, life learning, change your thinking to adapt to the change are based on the basis that creating the knowledge. ADB staff can do and behaving knowledge within an organization for customer, concern and our stakeholders, including all departments related to us and also the surrounding community. ADB staff commits, with proud and enthusiastic, also communication, and cooperation to transfer from generation to generation in order to create sustainable value and knowledge to the organization for further achievement.

Objectives and Goals

Applied DB Public Company Limited Remains committed to the review of the Company's vision, mission and direction systematically performs a every year in accordance with surrounding factors and business trends in the long run. The company has important goals that continue as follows:

- **Business Growth**

The company strive are to foster continual growth by being a leader in quality and competitive price for PVC compound and adhesive and sealant products. The Company also aims to have forefront competitiveness capability in industry and have stable and growing customer base every year.

- **Returns on Investment**

The company strive to make returns on investment comparable to that in line of industry and bring reasonable returns to all stakeholders.

- **Sustainability**

The company strive to operating business that attains the balance among business operations, society and environment for sustainable growth.

Business Strategies Plan

The direction and strategic plan of the Company focus on creating and maintaining competitiveness capabilities, sustainable growth, and preparation for various areas to support prospective business plans. The Company has adopted this direction and strategies as an operational framework and monitors the results regularly so as to achieve both short and long-term organizational goals. The main strategies are as follows:

1. Customer : To maximize customer satisfaction, we focus on the following areas.

- 1.1 Production and distribution of diverse products to meet customer needs.
- 1.2 Quality and standard products accepted by customers at competitive prices.

- 1.3 Fast & On- time Delivery
- 1.4 Quick Response
- 1.5 Customer Relation Management

2. Sales and Marketing

- 2.1 To research and develop products to meet market needs and increase distribution channels to expand products to both domestic and international markets.
- 2.2 To produce diverse products and to continually grow in the industry.
- 2.3 To have competitive potential in product differentiation with a research and development team who are ready to adjust products to serve customer needs and utilization.
- 2.4 To have sales staff and customer service staff with expertise in products to answer questions and give recommendations on products that suit customer needs and to provide quick responses to complaints.
- 2.5 To provide product quality guarantee as agreed with customers.

3. Supplier

- 3.1 To develop existing partners and continually seek new business partners.
- 3.2 To develop relationships with business partners contributing to having the same business goals.
- 3.3 To have integrated supply chain management.

4. Employees as essential resources for organization

- 4.1 To maximize employees' capabilities at all levels continuously.
- 4.2 To develop employees to have expertise skill sets to become specialists in each field.
- 4.3 To adopt an integrated working style, establish collaboration with various parties and offer an opportunity to employees to participate in management.

- 4.4 To develop performance management system that relates organizational goals to personal goals by relating employees' performance and capabilities in performance evaluation of each period.
- 4.5 To define succession hierarchy in all command lines so as to define knowledge development format and knowledge and ability of personnel who can take higher positions.
- 4.6 To offer an opportunity to talented persons to compete in creating innovation for business purposes and for creating happiness at work.

5. Cost

- 5.1 To develop the most effective working system with the minimum cost and enable competitive potential through loss management with minimum damage.
- 5.2 To continually seek substitute materials.
- 5.3 To make the most of assets efficiently.
- 5.4 To reduce workforce by replacing labor intensive with semi-automatic machines in some production parts so as to achieve quality standards, reduce waste and reduce labor costs that tend to rise every year.

6. Management System

- 6.1 To develop effective management system in accordance with international standards and adopt good corporate governance to compete in the global market.
- 6.2 To develop product and service quality and business risk management by controlling and mitigating risk factors that have a negatively impact on business operations.
- 6.3 To develop a successful management system for teamwork and continual development.

7. Research and Development

- 7.1 To enhance research and development potential this creates new innovation that adds value to products.
- 7.2 To develop new innovation and seek business opportunities contributing to sustainable growth.
- 7.3 To prepare for product development in the next level in Green Industry.

8. Technology

- 8.1 Development of production technology, Product design and modern management system suitable for the company's business.
- 8.2 Develop the company's website for a variety of benefits. Easy access Have current information both to customers those interested in the products, shareholders, investors and the general public
- 8.3 Commit to use CRM customer relationship management system (Customer Relation Management) to track and respond to customers' needs and analyze sales problems at important point

9. Society and Environment

- 9.1 To contribute and participate in the development of quality of life of stakeholders such as employees society and community.
- 9.2 To promote job creation and income generation in social community development.
- 9.3 To develop community, maintain the environment comply with the rules of estate authority and destroy products properly which eliminates pollution in the organization and surrounding society effectively.
- 9.4 3Rs principle of raw material and resource utilization is applied. Industrial waste will finally be exposed in proper way to deal with pollution within the organization and the society.

The major changes and improvements

1.1.2 Major Changes and Developments



March 2017

- The Company transformed into the public company and renamed the Company to Applied DB Public Company Limited.
- Changed the par value of the Company's ordinary share from the original value of 10 baht to 0.50 baht per share.
- Increased the registered capital of the Company's from 210 million baht to 300 million baht by issuing 180 million new ordinary shares with a par value of 0.50 baht per share and allocated the aforementioned newly issued ordinary shares for first public offering.
- The Company established 2 subsidiaries, namely ADB USA Inc. and SPARKO USA Inc., with the objectives of marketing promotion, providing marketing and sales promotion, as well as, expanding the demand for household products (Do It Yourself : DIY) of the Company in the international market, where by the Company has hold shares in ADB USA Inc. and SPARKO USA Inc. at 100% and 100% of registered capital paid respectively.



November 9, 2017

The Company was listed on the Stock Exchange of Thailand, and issued Initial Public Offering (IPO) at a price of 1.69 baht per share.



November 9, 2018

Making merit for opening the factory branch no. 4, no. 816, Bangpu Mai Sub-district, Mueang District, Samut Prakan Province. This Factory has been producing sealant products.



February 11, 2019

The Company has been certified for environmental standards ISO 14001: 2015 from BSI, the British Standards Certification Institute.



September 1, 2020

- Adhesive products (Adhesive) moved the production base from branch 271 to produce at factory no. 252 and provided the factory of 8 rai and 69.55 square wa, which was the total area of factory 271 to be the full area for a factory and a warehouse as a base for the production of plastic compounds for producing plastic resin for medical equipment, producing plastic resin without banned substances and producing plastic resin that are environmentally friendly.
- For Sealants products, the small packing line has been relocated its production base from branch 252 to branch 816 in order to ensure the continuity of raw material delivered from the same branch process and reduced transportation cost.



Year 2020

Awarded CG Score 4-star and AGM Level 4 in the evaluation of the Securities and Exchange Commission for the year 2020.



February 5, 2021

Increased registered capital from 300 million baht to 330 million baht by paying stock dividends to the existing shareholders at the rate of 10:1, not exceeding 60 million shares.



November 24, 2021

Extraordinary General Meetings of Shareholders No. 1/ 2021 has resolved to increase registered capital from 329,999,990.50 baht to 362,999,989.50 baht by paying stock dividends to the existing shareholders at the rate of 10:1, not exceeding 65,999,998 shares.



Year 2021

- Quality assessment results of the Annual General Meeting of Shareholders for the year 2021 (AGM Checklist) by the Thai Investors Association, the Company received a rating of "Good".
- The result of the 4-star Corporate Governance Assessment is "Very Good" for the second year in a row. In the survey project on Corporate Governance of Thai Listed Companies (CGR) of 2021 by the Thai Institute of Directors Association (IOD) and the Stock Exchange of Thailand.
- The Company has been selected for the first year on the Thailand Sustainability Investment (THSI) list of 2021 from the Stock Exchange of Thailand, reflecting its determination to develop business management to grow in accordance with the sustainable development guidelines, covering the Environmental issues, Society and Governance or ESG.
- The Company has been certified with Eco Factory Certification at the Meeting No. 18-4/2564 on Tuesday, December 7, 2021. 2 factories including a plastic resin factory No. 260 (Factory Number (Nor. 53(7))-1/2535-YorNorPor) and a small adhesive and adhesive factory No. 252 (Factory Number 53(5),64(1),91(1)48(3)).

1.1.3 The Company has already spent the raised fund to serve the objectives

- None

1.1.4 Clarify the obligations to which the Company has committed in the registration statement for securities offering and/or the approval conditions of the SEC Office (if any) and/or the conditions for the Stock Exchange of Thailand's acceptance of securities (if any).

- None

1.1.5 General Company Information

Company Name	Applied DB Public company limited
Symbol	ADB
Head Office	Head Office 252 Moo 4 Sukumvit Road, Prakasa , Muangsamutprakan Samutprakan 10280
Business Type	Manufacturers and distributors of 3 groups of products, which are Placstic Compound, Adhesive, Sealant and DIY to sell to customers both domestically and internationally.
Registration No.	0107560000117
Telephone	02-709 4040-9
Facsimile	02-709 4396
Web Site	www.adb.co.th
Paid-up Capital	329,999,990.50 Baht
Paid-up Shares	659,999,981 Shares (Par value of THB 0.50 per share)
Type of share	Common Shares
All paid-up shares of the Company	659,999,981 Shares (Par value of THB 0.50 per share)



1.2 Nature of Business

1.2.1 Income Structure

Revenue Structure of the Company Classified by Product Groups in 2019-2021 as follows:

	Year 2019		Year 2020		Year 2021	
	MB	%	MB	%	MB	%
Revenue Structure						
1. Plastic Compound Product	739.44	53.74	820.61	59.45	983.62	57.86
2. Adhesive Product	237.21	17.24	191.32	13.86	208.92	12.29
3. Sealant & DIY Product	387.12	28.13	357.28	25.88	485.46	28.56
Total Revenues	1,363.76	99.11	1,369.21	99.19	1,678.00	98.70
Other Revenues ¹	6.74	0.49	7.68	0.56	11.82	0.70
Profit (Loss) subject to Net Exchange Rate	5.56	0.40	3.53	0.26	10.23	0.60
Total	1,376.06	100.00	1,380.42	100.00	1,700.05	100.00

Remark: 1. Other revenues consist of received interest, compensation income, 19 bis duty fee, returned bad debt, profit (loss) from sales of assets, and miscellaneous revenues from sales of materials.

	Year 2019		Year 2020		Year 2021	
	Value	% to total	Value	% to total	Value	% to total
Type						
Domestic Income	974.54	71.48	1,044.15	76.26	1,237.03	73.72
Overseas Income	388.84	28.52	325.07	23.74	440.91	26.28
Total	1,363.38	100.00	1,369.22	100.00	1,678.00	100.00

1.2.2 Product Information

1. Characteristics of products or services and development of business innovation.

Plastic Compound Product

The company manufactures and sells plastic compound pellets which consist of PVC compound and Polypropylene split yarn for industrial factories with details as follows:



1.1 PVC Compound

Polyvinyl Chloride or PVC is a thermoplastic plastic which can be melted by the heat and recycled several times. In terms of general characteristics, PVC is fine, white powder. When it catches fire, it can be self-extinguished. In the production of PVC compound, the PVC power is added with additives before use.



PVC compound is a PVC made of PVC resin mixed with various additives in the right proportions according to the requirements of use in various forms such as plasticizer, heat stabilizer, filler, pigment and various additives. The company is a manufacturer and distributor of PVC in a form of soft PVC compound and rigid PVC compound.

- **Soft PVC Compound**

It is flexible plastic made from the process of mixing PVC powder with additives, softener or plasticizer, to adjust softness or hardness according to the proper use of PVC compound. The PVC compound in this group is used in injection molding, ironing molding, and compression molding depending on the type of product that customers want in order to be processed into various products. The main customers of the company who order PVC soft plastic are industries manufacturing wires and cables because the PVC does not cause fire and highly resistant to electricity. Therefore, it is used as insulation and cover for power cables and cables such as low voltage cables, power cables, and telephone wire insulation. The plastic is molded into rubber cables, soft edges for automobiles and other products. In addition, it can be molded into the footwear and soft touch products such as pen handles and tool handles.

- **Rigid PVC Compound**

It is a hard plastic - not flexible, strong, sticky and resistant to shock. It is made from mixing PVC resin with additives. The PVC compound in this group is used in injection molding, ironing molding, compression molding or blown film extrusion or blow molding depending on the type of product that customers want in order to be processed into various products such as furniture edges, product label films which are transparent and smooth and PVC joints.



In this regard, the manufacturing process of rigid PVC compound is similar to that of the soft PVC compound. The difference is that chemicals are controlled under appropriate temperature by the cooling mixer, which is a process after mixing chemicals as ingredients in the rigid PVC compound production before undergoing flow process.

- **Medical Grade PVC Compound**

It is a plastic resin which use for manufactured in the medical device such as blood bags, bags and saline tubes, medical gloves, syringes waste excretory tubes, etc., By collaborating with leading manufacturers from Japan that have been certified and expertise in the production of plastic resins for the medical industry.

1.2 Polypropylene Split Yarn

It is a Polypropylene from Thermoplastic, the characteristics of which are sticky, durable and effective in electrical insulation. The Polypropylene split yarn is processed to be fillers used with plastic compound in the production of power lines and cables by wrapping it around the wires to seal the holes as seen in the pictures below.

Nevertheless, in terms of portion of revenue from plastic compound products, derived from the sales of Soft PVC compound 65.80%, Rigid PVC compound 12.73% and Medical Device Product 19.35%. The rest of the revenue is derived from the sales of Polypropylene and Thermoplastic Elastomers 2.14%.

Operational Challenges in 2021 Plastic Compound Business.

Fluctuation in supply chains and raw material prices directly affects production planning in plastic industry from upstream, midstream, and downstream. Collaboration on allocating resources between partners is a key strategy in dealing with this fluctuation so that the customers' business operations in downstream industries are not interrupted, diversification in procuring raw materials from abroad can be provided to reduce the risk of shortage or lack of bargaining power and trends in supply and prices of raw materials are followed to deal with changes effectively.

Adhesives Product, is a fluid chemical used to glue materials. However, the adhesives produced and sold by the company can be classified according to the properties of products and use with details as follows:

It is an adhesive composed of a solution of natural rubber or synthetic rubber which will become stick when in contact with the solvent. It is a sticky fluid with high and effective adhesion, suitable for furniture, repair work and gluing materials of the shoes. In addition, it can also be used to glue various types of materials, such as plastic, wood, formic, laminate, foam, foam, rubber, leather and synthetic leather, insulation and metal. The company distributes this product for use in both industries and households.



2.2 Graft Adhesive

It is a graft copolymer combined with Polychloroprene and Acrylic monomer which is fluid like rubber adhesive but is more transparent and white. It is suitable for gluing upper and lower materials of shoes or general items such as leather, synthetic leather, PU, PVC, rubber, canvas and EVA foam, etc. The company distributes this product for use in both industries and households.

2.3 Polyurethane adhesive : PU Adhesive

It is produced from Polyurethane which is a special kind of adhesive with high adhesion, fast setting and excellent resistance to weather conditions and heat. It is also resistant to light absorption, which results in less color change after use, and it is to use and time-saving. The adhesive can glue several materials such as shoe soles, leather and shoe heels, rubber, sponge, leather, nylon, PU, PU leather, PVC, latex, foam, bedding, etc., as well as porous materials. It can also be used to glue at a normal temperature and high temperature.

2.4 Vinyl Adhesive

It is composed of pipe adhesive, multi-purpose adhesive and plastic adhesive used to glue PVC pipes and hard joints, including other assembling works where plastic parts are glued together. The pipe adhesive melts into the PVC pipe texture. When PVC pipes are connected to the joints, they are combined into one without leakage of liquid inside the pipes.



The property of this adhesive is different from that of others as it melts into the pipe texture and resistant to high pressure works such as drainage system in tall buildings or swimming pool pipe work, etc. The company distributes this product for use in both industries and households. While the multi-purpose adhesive is used to glue in general works such as stationary. The company distribute it in small containers. As for the plastic adhesive, it is used to glue plastic parts such as acrylic sheets, etc.



2.5 Water-based Adhesive

It is a water-based adhesive that is water-soluble and in liquid form. This adhesive is easy to use and suitable for use in a variety of industries such as furniture, packaging, carpets, wood, laminates and labels. The Company also produces and distributes additional products which are used with adhesive products to enhance the effectiveness of adhesion and potential of adhesive. The products are Primer, Thinner, and Hardener with details as follows:

- **Primer**

A chemical that adjust the condition of surface prior to using the adhesive to optimize the adhesion.

- **Thinner**

A volatile liquid and a solvent used in conjunction with adhesive products make them more liquid. In addition, this material can be used to clear stains caused by adhesive.

- **Hardener**

A chemical with the property that increase the adhesion of material and increase the strength of adhesive. This chemical is used in conjunction with adhesive products to increase the strength of adhesion. However, the portion of hardener added to the adhesive must be appropriate. If the hardener is added exceedingly, the adhesive will dry too quickly and adversely affect the product.

Operational Challenges in 2021 Adhesive Business.

For the ratio of sales of the Company's adhesive products in Thailand, 60-70% of domestic sales is factory customers who were affected by the economic slowdown during the 2nd quarter of 2021. Therefore, the production capacity was reduced and began to have better performance at the end of the 3rd quarter and continue to grow in the 4th quarter. This is because the overall economic outlook of industrial products and consumer products has begun to recover. In addition, such products can be exported to countries recovering from the COVID-19 pandemic and opening for trade. The business's response is to strategize to maintain market shares and profit margins, maintain existing customer base and seek more orders that are reduced by finding new customers. Distribution channels for retail products through online channels such as Shopee, Lazada, Facebook are added. This receives good feedback from customers.

Since the prices of raw materials for industrial adhesives such as Synthetic Rubber and Solvent increased in the middle of 2021, the Company adjusted the selling prices based on the higher chemical raw materials and gained benefits from the export of products. The Thai baht depreciation compared to the US dollar during 2021 compared to those in 2020 resulted in higher gross profit of the products shipped abroad. As a result of the increase in sales revenue, the selling and administrative expenses also increased. Most of these expenses are related to sales, transportation, and freight charges, export costs increased in line with freight rates for international shipments as well as time of sailing which is longer than usual.

Sealant and DIY

The Company manufactures and distributes sealants which are products used to attach materials or seal leaks or seal joints. Sealant products come in small packages for Do It Yourself (DIY) purpose. The Company manufactures products for brand owners under the license and supervision of brand owners' production process (Original Equipment Manufacturer or OEM). Such brands are leading international brands. The manufactured products are sold wholesale to brand owners. The production under the Company's brand (House Brand) consists of the brands such as ADB, SPARKO, DB, OMAKU and DAI-ICHI distributed to distributors. The distributors will distribute products to shelves in department stores, stores, or through several channels so that the products directly reach end users. Sealants for industrial factories are manufactured in bulk and sold to brand owners to be packed in small sizes or used in their own industry.

3.1 Sealant

It is used to seal joints between materials, whether they are the same material, to be durability and beautiful and to prevent dust, Both water and fluid passing through entering the joints. This sealant is semi-liquid, so it can penetrate the joints, harden and become flexible to allow materials to move slightly. This sealant does not crack. In the construction work, it is necessary to use the sealant in the structural works such as sealing joints between the structures as determined by the engineers according to construction design or sealing joints between longitudinal structures to accommodate the expansion of expansion of structure. It can also be used in architectural works by sealing joints to finish up the work such as sealing joints between aluminum doors and windows, masonry walls, ceilings and walls, built-in furniture, etc. The company distributes 4 types of sealant products, classified by product properties and characteristics of usage with details as follows:



- **Acrylic Sealant**

It is sealant which is little flexible and resistant to environment. It can be used for exterior and interior works, so it is suitable for sealing joints such as joints between the wall and door frame, window, wood, aluminum, or small cracks. In addition, it can be refined and painted over, and it can be used with both smooth and rough surfaces.

- **Silicone Sealant**

It is flexible sealant which is highly resistant to changes in the environment, UV and chemical. It is suitable for both indoor and outdoor use, as it is used to fill and seal joints of smooth surfaces and polished surfaces such as mirror, ceramic, fiberglass, wood and aluminum. However, this material cannot be painted over. The company distributes this products for both industrial and household use.

The silicone sealant can be divided into 2 types: Acetic and Neutral, with details as follows:

- **Acetic Cure**

This type of silicone, when used, has the scent of acid, evaporates and dries quickly. It is suitable for sealing joints between glasses with strong adhesion. If used with transparent glass, the sealant is smooth and transparent. It is not suitable for surfaces affected by acetic corrosion, such as metals or marbles, and it is less expensive than the neutral one.

- **Neutral Cure**

This type of silicone is neutral and less transparent than the acetic one (turbid). It dries more slowly and is less strong but more flexible, and it is used with surfaces not suitable for exposure with acid. Also, it is more expensive than the former.





• Hybrid Sealant

It is a highly flexible material. Its efficiency is weather resistant, ultraviolet (UV) radiation resistant against chemicals and dirt. In addition to It can be painted on the surface of the grout this material is also environmentally friendly and safe for users and suitable for both indoor and outdoor working. It can be used on all surfaces Including moisture skin which the company distributes for use in both industrial plants construction and household industry.

• Room Temperature Vulcanizing Silicone : RTV

It is a silicone material used for forming gasket or formed-in-place-gasket. It has the ability to mold new gasket to replace the old gasket that is out of use. The new gasket molded is silicone rubber. It is commonly known as liquid gasket. Nevertheless, this material is highly flexible and resistant to temperature resistance, tear and pressure. Therefore, it is suitable for use in the electronics, automotive, machine, tool and precision instrument industries. In this regard, the RTV silicone of the company is of various colors to meet various customers' needs.

3.2 DIY

It is a material used to seal the joints and leak between different materials. It is a versatile product for both household and business users. The Company sells small adhesive products divided according to product features and usage characteristics. The details are as follows:

• Epoxy Adhesive

It is mixed with 2 ingredients: epoxy and hardener at an appropriate portion to be of the maximum effectiveness. Epoxy adhesive is highly flexible and resistant to temperature and chemical; therefore, it is suitable for use in industries and used with wood, metal, tile, glass and plastic, etc. The company distributes this product for use in both industries and households.

• Liquid Gasket

It is synthetic rubber adhesive for gluing or combining metal flanges. It is highly viscous and can prevent leakage of liquid or gas from equipment at the surface of the flange as the contact of two flanges may not be smooth enough to prevent leakage. Liquid gasket can penetrate into the groove between the combined materials perfectly. The company distributes this product in small packages through distributors, and it can be used for customers who manufacture automotive products.



• Super Glue

It is a multi-purpose glue which is specifically fast to dry. Its chemical name is Cyanoacrylate adhesive. The glue sets by chemical reaction between the glue and the moisture on the surface of material, and it is suitable for industrial use in parts assembling such as automotive parts, sports equipment and electronic devices, etc. It is also suitable for household use as it can glue various kinds of materials: wood, metal, aluminum and plastic. The company buys the ready-made super glue or elephant glue in small DIY packages and distribute it for household use only.

• Super Nail

It is synthetic rubber glue with high adhesion handling the weight gain. It is used to glue aesthetic works for furniture, installation and general construction work instead of nail. It is used to glue various materials such as wood, plastic, gypsum, stainless steel, lightweight wall panels, mirrors, corbels, as well as materials made of cement or concrete, etc. The company distributes this product for use in factories and households. Currently, the company has developed waterbased super nail. To meet the demands of the market which focuses on environmental friendliness as well.

Operational Challenges in 2021 Sealant and DIY Business.

During 2021, the Sealant Products Department faced the fluctuations in raw material prices which was increasing throughout the year. In overall, the small group of adhesive products expanded due to the value that people repaired their homes and appliances by themselves while quarantined or working at home. Sales of DIY products increased by 22.5% from the previous year. The sealant products affected by the construction site closure had a slight impact, having a positive effect from the recovery of other sectors and the international market. Sealant products grew 37.1 percent from the previous year. Sealants manufactured in bulk and sold to manufacturers with their own brands or used in industrial plants grew 75.5 percent. In overall, all types of products in the sealant business group consist of products that are environmentally friendly at 75% and have grown 41% compared to the previous year.

Product (MB)	Year 2018	Year 2019	Year 2020	Year 2021	% Growth
DIY	212.37	201.68	167.62	205.39	22.5%
SEA (Bulk)	-	8.98	26.37	46.27	75.5%
Silicone	229.93	183.38	173.30	237.59	37.1%

Marketing and Competition

Marketing Strategy

1) The quality of the product has been standardized

The company focuses on producing products of quality and standard that meet the needs of customers because the products that the company manufactures and distributes are used as raw materials in the production process and repair of equipment in industries and households. Therefore, the company is aware of the importance of quality and effectiveness of use of the products. The company has a quality assurance team which is under the technical department and is responsible for quality assurance of raw materials prior to entering the production and for quality assurance of finished goods prior to entering in warehouses to test the quality and correction of products before delivering to customers. In addition, the company has established a quality control team and assigned personnel for during the production process in every product.

The company has a policy of producing quality products that meet the needs of customers. The production process is not a minimal impact on the environment and the livelihood of the community we also focus on occupational safety and health of employees integrate together with risk management and ISO standards into a single, integrated quality management system. Resulting in being certified to international quality standards ISO 9001: 2015 and environmental management standards ISO 14001: 2015 for other specific product standards such as automotive standards and medical devices standards. The company has managed the infrastructure to support standards but do not request certification because the company has not yet been a producer that is required to request certification but customers always check the company's system and customers can be assured which product quality assurance, both

for quality and safety throughout the process, including the procurement process production process, storage process to the transportation process to the customer has controlled the operating standards in order to get the products with quality that meets the certification. In addition, the research and development department can still improve the product develop for new products with quality and cost reduction in order to satisfy customer satisfaction appropriately.

2) Variety of Products.

The company manufactures and sells a wide range of industrial products, which can serve the needs of different industries. The company focuses on providing a wide range of industrial products to facilitate its customers on a one-stop-stop basis. The company manufactures and distributes products used in the production of various industries such as plastic compound that can be processed into industrial products like power wires, products in the plastic industry, products in the automotive industry and products in the real estate and construction industry, etc.

As for the sealant products factory, it is ready to support new products in the group of sealants customers, the Company will produce raw material to send to customers to be packaged under their own brands. The products that are available for sale are Acrylic Sealant, Hybrid Sealant, Hybrid Polymer Liquid nail, Waterproof, adhesive products and all items of sealants which are new products. Offering the competitive cost options and environmentally friendly products to customers to consider. The target groups are the construction industry and the automotive industry.

3) Service and Delivery.

The Company recognizes the importance of service and delivery to customers. Therefore, it focuses on customer satisfaction in terms of both quantity and quality according to the agreed standards. In addition, the company

delivers the products on time, and the customers can order the company to manufacture and deliver products in installments (partial ordering) according to the customers' plans. The company will cooperate with customers to plan the production to meet the needs of each customer. Customers can also save cost of storage. As the company has been operating the business for more than 30 years and always had a close customer base and good relationships, as well as having its office located in Bangpoo Industrial Estate, Samut Prakarn Province, the company can support the needs of the service and deliver the products according to the customers' needs. Furthermore, the company has a sales department to provide advice to customers concerning the company's products which is before and after-sales service.

4) Research and Product Development.

The company has close relationships with its main customer base. The company focuses on the selection of products to meet the needs of customers and attaches importance to efficient delivery management to maximize satisfaction of customers both domestically and internationally. In terms of domestic customers, the company is a business partner in the manufacture and distribution of both products, namely PVC compound and adhesive and sealant products to many companies. Some customers have been trading with the company for more than 10 years.

The COVID-19 epidemic situation has made travelling more difficult to meet customers. Even though, the Company has had the full-time workplace working throughout the year. Each company has had the preventive measures, providing social distancing and even some companies allowed work from home, and also the locked down situation and prohibited international travelling, so that it has greatly reduced

the chances of meeting customers. During the year, the sales department was unable to meet or attend any trade shows both domestically and internationally. The sales team has used various social media channels; both phone calls, chat, and conference system to talk to customers, including using Zoom, MS Team, WeChat, What's App, focusing on the communicating with customers by providing accurate information in timely manner and be valid to each situation, in order for customers to secure in the Company's situation, response to the customers' demands that were not affected by the mentioned epidemic.

5) Management

The company focuses on the development of management systems in order to be able to manage quickly and accurately according to market fluctuations also the sales department is divided into business units by product type which the different markets and customer groups to enable management to be streamlined and able to target the market. Every month, the management will follow up with the target and adjust the plan proactively, linking the whole value chain and covering production processes, sales, purchasing needs and production capacity. Including new products which under development in order to increase the time to adjust as the changing market situation and customers needed and to make the plan to maximize efficiency, including measuring the performance to use the information to improve planning in the future.

In addition to the company also upgraded the management to increase the capability of the personnel assessing the needs and readiness of human resources both of the number of the capabilities and characteristics necessary for consistent business operations to connect the goals of the organization and the employees, from now and in the future in order to

develop and evaluate the work more appropriately also develop of skills necessary for executives developed to lead the organization to change a role model for creating personnel to work together efficiently.

- **Continuous research and development**

The Company realizes the importance of product research and development. to be able to compete and be in the top of customer's choice. The Company as a research and development department for every product that the Company has produced and distributed to the quality that meets the needs of customers, as well as selecting the new production innovations efficient selection of raw materials to increase production limits to obtain high-performance products. The Company has had a research and development team with skilled staff, experienced and knowledge, competencies and working together with the Company for a long time. In this regard, the Company's research and development team has had a team of more than 20 people, with a research and development approaches that combines benefits from both sides, namely; "products" and "innovations" , with an emphasis on innovation development to increase competitiveness and offers a variety of products to meet the needs of customers. The Company opens for development needs from many several channels, including from salespeople, or sales representative, obtained from meeting customers, received demand during implementation issues, recommendations for improvement, requirement or trend of market demand, development needs from management's policies or strategies each year. The requirement of researchers who see the opportunities to improve product quality or develop to suit other application or the useful resources, including being supported by the concept of customers and strategic partners by introducing new production techniques that

applied to the existing production system in order to develop more efficiency or be implemented to develop the production formula to have better product features.

In addition, the Company has launched the new products to the market and provided the new innovations to increase the process efficiency, increase productivity, and reduce existing production costs. The newly developed products are including plastic compound resin, adhesive and sealants, making the new product share. The new products focus on codevelopment with customers to be able to use in production that will be certified Green Label as a formula to reduce the costs and being the new product to serve the variety such as; adhesive products for eco-friendly products, low odor, reduces volatile organic compounds (Low VOC), to be the choices selection of customers for more usage. The sealant group has been researched and developed low cost Acrylic Sealant, developed Liquid Nail in Hybrid Technology Modified Silicone Polymer formula for premium applications and for multi-purposes usage, developed Waterproof both for Acrylic Base and Modified Silicone Polymer Base, researched and developed Modified Silicone Polymer grout variety quality products levels for the construction market from the original only one grade, researched and developed fire – resistant sealants for high – rise buildings such as Acrylic Sealant, Silicone Sealant and/or Hybrid Sealant

In addition, the Company has provided a standardized laboratory, tools for testing, experiment and research covering every production line of the Company, also allocated adequate budgets for procurement of testing equipment and laboratory expenses for research and development plan each year. This makes it possible to produce product samples within a short period of time, to provide accurate test result, process adjustment from the Company's development. The Company's will prepare

document revision by recording results at every step, process, method, outcome, and product samples. When the results of the experiments are implemented into practice on the production line, the results are often no different or easier to find the point of production control, and able to ensure that the final product from the manufacturing process will be of the same quality equivalent to laboratory practice. Therefore, the Company is confidence in the testing process and trial run that helps the Company to reduce the risk of product returned.

- **Characteristics of customers and target customers**

The target customers of the company consist of industries that use the company's products in the production and processing and sell them as a distributor distributing products to end users or retail shops like an intermediary who distributes products to users directly. The industries which are the main customers of the company are as follows:

- Real estate and construction industry
- Shoe and leather industry
- Furniture and general wood industry
- Automotive Industry
- Other Groups

The company has a large customer base both domestically and internationally which uses the company's products: plastic compound and adhesive and sealant. The company's customers are spread in certain various industries from large to medium and small industries. The portion of revenues is derived from domestic and overseas sales in 2019 which is approximately 58.64%, 12.46% and 28.90% of the total revenue of the Company.

- **Distribution and distribution channels**

The company has 2 distribution channels: Direct distribution and Indirect distribution with details as follows:

(1) Direct Distribution Channel.

The company manufactures and distributes products to end users who are industrial factories that use the company's products as raw materials to manufacture goods and repair machines and equipment in the factory and household users who use the company's products to construct and repair equipment. The products sold through the direct distribution channel will be products from 3 product groups: Plastic Compound, Adhesive and Sealant&DIY. However, the company is located in Bangpoo Industrial Estate in Samut Prakarn Province which is the location of many factories that are the target customers of the company; therefore, it is easier to deliver products and reach more target customers. In terms of direct distribution channel.

(2) Indirect Distribution Channel.

The company manufactures and distributes products through its distributors who are domestic and international. Most of the products sold through indirect distributors are adhesive and sealant products which the distributors sell at their retail shops or sell to direct users. The users use the products for construction and repair works. However, the company has selected its distributor, namely Borneo Technical (Thailand) Co.,Ltd. which is reliable, has had a good relationship with customers or is likely to reach new customers.



Distribution Channel for Each Product.

Product	Distribution Channel
<ul style="list-style-type: none"> Plastic Compound Product. 	<ul style="list-style-type: none"> Mostly distributed in both forms of soft PVC compound, rigid PVC compound and Medical Grade PVC Compound. The company distributes these products to industries that manufacture goods such as power wire and cable manufacturing plants, furniture plants in the country and Medical PVC manufacturing in thailand. The rest is distributed through domestic distributors which focuses on distribution of middle-grade soft PVC compound.
<ul style="list-style-type: none"> Adhesive Product. 	<ul style="list-style-type: none"> Mostly distributed through both domestic and international distributors to Asia and Africa. While direct sales to manufacturers of industrial products tend to increase.
<ul style="list-style-type: none"> Sealant and DIY Product. 	<ul style="list-style-type: none"> Mostly distributed through distributors to users in Thailand and Foreign countries. The company has assigned the sales representative in each country, and the main market is in Asia, Middle East and Africa. The rest is the OEM production with both domestic and international markets.

• Proportion of Domestic and Overseas sales

Business		Year 2019			Year 2020			Year 2021		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Plastic Compound Product	MB	710.63	28.80	739.44	786.54	34.08	820.61	936.23	47.40	983.62
	%	96.10%	3.90%	100.00%	95.85%	4.15%	100.00%	95.18%	4.82%	100.00%
Adhesive Product	MB	134.66	102.55	237.21	110.75	80.58	191.32	112.43	96.49	208.92
	%	56.77%	43.23%	100.00%	57.88%	42.12%	100.00%	53.82%	46.18%	100.00%
Sealant and DIY Product	MB	129.63	257.49	387.12	146.86	210.41	357.28	187.19	298.27	485.46
	%	33.49%	66.51%	100.00%	41.11%	58.89%	100.00%	38.56%	61.44%	100.00%
Total all type	MB	974.92	388.84	1,363.76	1,044.15	325.07	1,369.21	1,235.84	442.15	1,678.00
	%	71.49%	28.51%	100.00%	76.26%	23.74%	100.00%	73.65%	26.35%	100.00%

- **Industrial and Competitive Condition**

- **Plastic Compound Business**

Krungsri Research data dated January 13, 2021 presented the business trends and plastics industry for year 2021 – 2023, Thailand is one of the world's major plastic production bases. It has an overall economic value of 1.0 million baht because it is a continuous industry from the large Thailand's petrochemical industry which having high potential production. Thus, this will strengthen and provide the competitiveness of the plastic resin industry.

ADB is one of the world's leading plastic resin manufacturers with the capability to research and develop the performance of plastic resins to meet market demands. The main factors affecting market competition are the ability to supply sufficient raw materials for production due to the main raw materials coming from petrochemical producers, maintain standards and quality of products together with effective cost management.

In addition to maintain the existing market share, the Company sees an opportunity for the growth of bioplastic resins or bioplastic products that can be used to reduce, to replace traditional single-use plastics due to the biodegradable properties in nature. Therefore, it can help to reduce the impact on the environment, together with the support policy from the government towards a green economy, including the trend of rapidly increasing demand for bioplastic products abroad. Therefore, the Company greatly focuses on research and development of this group of products and has established a subsidiary; ADB Bio Co.,Ltd. with the objective of procuring natural raw materials used in the production of bio-plastic resins, importing, producing and distributing bioplastic resins for both domestic and international customers.

- **Adhesive and Sealant Business**

There are more than 10 major manufacturers and distributors of adhesive products in the market of

Thailand. They are both foreign and domestic brands. The main customers are industrial customers in domestic and international levels. Small manufacturers are distributed in provincial areas, distributing products to medium-sized and small-sized customers and to household use. Sealants are products with various properties. The core competitiveness lies in the research and development of product formulas that best match customers' use, the development of alternative products using bio-based raw materials or environmentally friendly chemicals as well as the invention of several innovations that enhance the customers' production process to be more efficient and maintaining the product quality and services to meet the standards.

Applied DB Public Company Limited is specialized in manufacturing high quality adhesives and sealants for more than 30 years. The research and development team has experience in analyzing customer needs covering both industrial and household applications as well as complying with international standard requirements. The Company has modernized the production lines, applied cutting-edge technology, and established long-term plans to allocate sufficient production capacity for future sales growth.

- **Industrial outlook**

- **Plastic Compound Business**

Krungsri Research on business trends and plastics industry of 2021 -2023 has analyzed that sales of plastic products in Thailand are likely to increase by an average of 2-3% per year due to the recovery of Thai economy and the world economy. Plastics are used in variety of business segments such as packaging, electrical appliances, construction, automotive and medical devices, in which the plastic uses are accounted for more than 80% of the plastic products in the country. The challenging factors of the industry during the past 3 years is the volatility of world crude oil prices which affects the price of raw material

used in plastic resins production, the trend of higher wages and the trend of reduction the use of single-use plastic.

Plastic resin products of Applied DB Public Company Limited are classified as Polyvinylchloride (PVC), which is hard, resistant to water, acids and chemicals, distributed to factories for forming electrical wires, cables, plumbing pipes, and joints in various construction works, and high-quality medical products with an average growth rate of 7.5% per year. When considering the construction industry which is an end product of PVC resin, it was found out that the growth trend was in line with the country's infrastructure development plan, for example, the development of the Eastern Special Economic Zone, high speed train project. The Krungsri Research expects that the government construction will grow at an average of 6-7% in 2021 – 2023 from 5% in 2020.

- **Adhesive and Sealant Business**

The data from Krungsri Research on June 10, 2020, showed the analysis of the business tendency of petrochemical industry in 2020-2022. In overall, the business tends to grow according to the demand for petrochemical products in downstream industries. Although the revenue may slow down due to the deflation of global and Thai economy caused by the COVID-19 pandemic, the business profits were likely to recover according to the global economy in 2021-2022 regardless of risk factors in industries which were the fluctuation of the world crude oil market and the factors that challenge entrepreneurs' ability to adapt themselves due to the internal and external factors. This also includes the global trend of environmental mitigation that accelerates the development of environmentally friendly products to meet the changing needs of both domestic and international customers.

According to Mordor Intelligence's Global Adhesives Market Data 2016-2026, the global adhesive market is growing at an average annual growth rate of 4.5%. Even though construction and factory sectors

were affected by the COVID-19 outbreak in 2020, the demand for adhesives for packaging products has increased significantly, especially packaging for food and beverages online retail shipping. Moreover, the demand for bio-based adhesives signals a great opportunity for packaging, transportation, electronic components, construction, and furniture work.

(Source of information: <https://www.mordorintelligence.com/industry-reports/asia-pacific-adhesives-sealants-market-industry>)

For adhesive and sealant market in Southeast Asia, coating and adhesive products are used as raw materials or adhesives in a wide range of industries including furniture, textiles, construction, automotive and packaging. It has an average annual growth rate of 5%. Restrictions on the use of raw materials with Volatile Organic Compound (VOC) are factors for the development of more bio-based products to reduce the impact on the environment.

The overall growth of Thailand's adhesive products during 2016-2026 is expected to grow at an average of 6.02% per year. The main factors steering the growth include the demand for packaging products, the applications in construction industry in public and private sectors, in transportation sector and in factory customers.

Sealant products have properties of sealing, adhering materials, repairing surface and waterproofing. The sealant products are highly flexible and resistant to weather conditions. A part of the growth of these products is in line with the construction business. According to the data from Krungsri Research on business trends 2021-2023 for construction business, it is mentioned that the overall construction investment is likely to grow by an average of 5%. There are supporting factors from government construction projects. The economic recovery supports the construction of residential or commercial buildings including exporting products to ASEAN countries and the Middle East. In 2021, the revenue from abroad has

increased, especially the revenue from the exports to Nigeria, Kenya, Bangladesh, Vietnam, Myanmar, and the Philippines which are the first 5 main export markets. Such markets continually recovered from the impact of the COVID-19 situation in 2021. This is consistent with the direction of Thai exports in 2021 from mgronline.com which shows the data on global economic growth and is supported by economic stimulus of countries that have begun to recover from the impact of COVID-19 pandemic.

Furthermore, the export sales of adhesives and sealants gain benefits from the increase of selling prices due to the higher chemical raw materials and from the depreciation of the Thai baht when compared to the US dollar during 2021, compared with 2020.

6) Procurement of products or services

• Procurement of raw materials or products for production

The company has raw materials sources from both from local and abroad suppliers or sharing raw materials with other business units of the company. Therefore, the company has different pricing policies for different sources of raw materials. The details are as follows:

1) Original Equipment Manufacturer OEM Products.

The company has a pricing policy for its OEM products by using the cost price as determined by the selling companies plus appropriate profit rate for raw materials in the products under the company's brand. Most of raw materials are imported from overseas such as Japan, Taiwan, South Korea and India. The cost price of raw materials include the cost of packaging production for ready-made products.

2) House Brand Products.

The company has a policy to determine the price of products received to assemble under the company's brand by using the cost price of raw materials of the company plus appropriate profit rate. However, the raw

materials under the company's brand are different from the sales of products under the customers' brand because the raw materials are ordered from both domestic and international suppliers. The price is agreed with the old suppliers who have had a long trading relationship with the company, making the price not too high or too low than the market price.

Nonetheless, the determination of profit rate in the sales of the company's products may change or be flexible according to the market conditions, costs, quantity of purchase order, competitiveness of price with other companies that sell similar products and business relationship with certain traders.

3) Product or Service Provision.

- Material Provision

The company aims for selecting the materials with good quality and standard used to produce the products for the customer's demand. The main materials used by the company for production are PVC resin and solvent they are mainly used to produce plastic compound products and adhesive and sealant products respectively. The company appreciates the material quality used for production; therefore, for the material purchase, the company has the procedures and rules of distributor selection evaluated from the creditability of business partners, the trading history of business partners, the product standard and the reasonable price. When the company considers the distributor lists from the aforementioned rules, the company will select and register the approved supplier lists for the selected distributor lists. Nevertheless, adding new distributor lists each time, R&D Team will examine the quality of product samples from the distributor first to ensure the quality of those materials. R&D Team will bring the materials to produce the product samples with the right physical and chemical properties. After that, R&D Team will confirm the quality to the purchase department to purchase the material from the aforementioned distributors.

Moreover, due to the company experience in the industry for a long time, planning the material provision from all over the world, not specified the distributors in Thailand only, can be accurately predicted the trend of material prices in the future which helps the planning of material purchase more effective. Finally, the materials with good qualities but low prices are obtained.

The material provision is divided into 3 groups: plastic compound products, adhesive and sealant products as the following details:

	Plastic Compound Product	Adhesive Product	Sealant and DIY Product
Material Used in Production	PVC Resin, Additive, Plasticizer and Filler	Solvent, Synthetic Rubber and Additive	
How to Find Material	The company provides the materials in Thailand and in foreign countries depending on the material quality in each source, the price and the relationship between the company and the suppliers. All of the material purchase in Thailand will be delivered via a truck whereas all of the material purchase from foreign countries will be delivered via a ship.		
Purchase	<ul style="list-style-type: none">• The company will purchase the materials when ordered by customers because most plastic compound products have the specific characteristics as its physical and chemical property informed to the sale department such as color, solidness and flexibility of plastic beads. Therefore, these will be produced from the customer' demand.• The Company is capable of forecasting accurate sales and the Company's raw materials are designated as Safety Stocks and each situation is reviewed accordingly.	<ul style="list-style-type: none">• For the brands, the Company orders raw materials for production and for distribution which are stored in the warehouses.• Produced under the customers' brands or as an Original Equipment Manufacturer (OEM); raw materials are ordered for production and distribution when orders from customers are received.• In both cases, sales and pre-orders can be forecasted, and the Company's raw materials are designated as Safety Stocks. Each situation is reviewed accordingly.	
Period of Material Purchase from Supplier until Material Receipt	Around 3-7 Days in Thailand and Around 45-75 Days in Foreign Countries	Around 3-10 Days in Thailand and Around 30-60 Days in Foreign Countries	

• Proportions of domestic and overseas procurement

Raw materials for production		Year 2019			Year 2020			Year 2021		
		Domestic	Oversea	Total	Domestic	Oversea	Total	Domestic	Oversea	Total
Plastic Compound Product	MB	354.90	193.57	548.47	431.89	188.44	630.33	685.46	90.17	775.63
	%	64.71%	35.29%	100%	69.6%	30.40%	100%	88.37%	11.63%	100%
Adhesive Product	MB	163.36	229.40	392.76	93.42	55.68	355.02	113.75	76.26	190.01
	%	41.60%	58.41%	100%	38.60%	61.40%	100%	59.86%	40.14%	100%
Sealant and DIY Product	MB	163.36	229.40	392.76	93.42	55.68	355.02	84.29	238.05	322.33
	%	41.60%	58.41%	100%	38.60%	61.40%	100%	26.15%	73.85%	100%
Total all type	MB	518.27	422.97	941.24	569.10	406.24	975.32	883.49	404.48	1,287.97
	%	55.10%	44.94%	100%	58.35%	41.65%	100%	68.60%	31.40%	100%

How to Purchase Materials

1. The manager of purchase department will consider the details of purchase request as specified in the purchase order received from the production department.
2. Consideration of the distributor lists, the legal conditions, the regulations and the material prices is selected from the approved supplier lists.
3. The purchase department issues the purchase order to purchase the materials or packages relating to production.
4. The warehouse department examines the materials or packages relating to production delivered to the company.
5. The quality assurance department examines the received material quality before produced whether the materials have the right characteristics and properties to the standard or the customer's demand or not.
6. The purchase department makes the assessing report of delivery and product quality of distributors.

However, the company has never experienced the problem of material provision or the problem of material shortage but the problem of variation of material prices because the price of main materials which the company uses to produce those products such as PVC resin, plasticizer and solvent it is considered the outgrowth from petroleum refinement with the varied price on the world oil price. Nevertheless, the company updates the news and trends of material price in order to plan the capital management of material purchase as effectively as possible or advanced purchase in proper numbers considered from the factor of demand and supply of the material price.

1.2.3 Assets used in business undertaking

1. Table showing the Company's assets in business operation.

As of December 31, 2021, the Company has assets used as collaterals for business operations after deducting accumulated depreciation shown in the Company's statement of financial position is 515,250,572.68 million baht in total. The details are as follows:

Asset type/Characteristics	Book value December 31, 2021 (Million baht)	Proprietary nature	Obligations
Financial statement			
Land and land improvement	64,642,200.44	Owned/Ownership possessed	Used as collaterals for some financial institutions
Buildings and structures	225,342,469.10	Owned	
Machinery and equipment	195,908,937.73	Owned	None
Decorative objects, fixtures, and office equipment	4,421,657.56	Owned	None
Vehicles	7,033,323.00	Owned	Under a financial lease of 12.25 million baht
Assets under construction and installation	17,901,984.85	Owned	None
Total	515,250,572.68		

Asset type/Characteristics	Book value December 31, 2021 (Million baht)	Proprietary nature	Obligations
Intangible Assets	1,434,245.68	Owned	None

The Company's intangible assets are computer programs. The net book value as of December 31, 2021, is 1,434,245.68 baht (The cost is 5,665,668.49 baht and the accumulated amortization is 4,231,422.81 baht).

2. Important Agreements in Business Operations

2.1 Rental agreements

(1) Office Rental Agreement

Contract Party	Applied DB Public Company Limited ("the lessor") Shpwa Global (Thailand) Company Limited ("Tenant")
Relationship of the party	The lessee has a major stakeholder which is Showa Kasei Kogyo Company Limited and is the shareholder of Showa Global Limited. Showa Global Limited is the Company's shareholder. The shareholding ratio is 3.33% of the paid registered capital of 329,999,990.50 baht.
Contract Date	January 1, 2021
Contract Period	January 1, 2021 – December 31, 2021
Key content in the agreement	1. The lessor agrees on the rent and the sublessee agrees to rent the office space of the Company, which is located at 271 Moo 4, Sukhumvit Road, Prakasa Subdistrict, Mueang District, Samut Prakan Province. The lessee agrees to rent an area of 25.74 square meters to be used as the lessee's office. 2. The lessor receives 4,000 baht per month which covers basic utilities (electricity bill, water bill, telephone bill, etc.). The rental fee shall be paid within the 5th of every month and is paid at the lessor's office.

(2) Warehouse Rental Agreement

Contract Party	Applied DB Public Company Limited (“the lessor”) Shpwa Global (Thailand) Company Limited (“Tenant”)
Relationship of the party	The lessee has a major stakeholder which is Showa Kasei Kogyo Company Limited and is the shareholder of Showa Global Limited. Showa Global Limited is the Company’s shareholder. The shareholding ratio is 3.33% of the paid registered capital of 329,999,990.50 baht.
Contract Date	January 1, 2021
Contract Period	January 1 – December 31, 2021
Key content in the agreement	<ul style="list-style-type: none"> • The lessor agrees on the rent and the sublessee agrees to rent the office space of the Company, which is located at 271 Moo 4, Sukhumvit Road, Prakasa Subdistrict, Mueang District, Samut Prakan Province. The lessee agrees to rent an area of 76 square meters to be used as the lessee’s Warehouse. • The lessor receives 180 baht per one square meter per month. The rental fee is calculated from the actual space used in each month which covers basic utilities (electric bills, water bill, telephone bill, etc.) The rental fee shall be paid within the 5th of every month.

(3) Loan Agreements

The Company has overdrafts and short-term loans from 4 financial institutions. The details of the agreements are as follows.

- Loan Agreement with Financial Institution 1

Agreement 1	
Contract Date	February 10, 2015, the latest revised version is on August 2, 2019
Contract parties	Applied DB Public Company Limited (“Borrower”) and a financial institution (“Financial Institution”)
Amount of loan	<p>The Amount of loan is 425,080,000 baht consisting of types and credit limits as follows.</p> <ol style="list-style-type: none"> 1. Overdraft loan under the overdraft loan agreement. 2. Electronic revolving loan under the Multiple Seller Loan Program. 3. Other types of loans such as short-term loan with bill as evidence (Promissory Note (P/N), Bill of Exchange (B/E)), Packing Stock and/or Inventory Financing, and/or Trade Finance and/or Letters of Guarantee and/or credit limit for derivative transaction.
Purposes of borrowing	To be evidence for all types of loans under the revolving credit of 425,080,000 baht and to provide flexibility in using and changing types and credit limits by providing guarantees and collaterals given as collaterals for other loans.

Agreement 1	
Other important conditions	<ul style="list-style-type: none"> • The Borrower will prepare and send a copy of an annual performance report, balance sheet, income statement which have been audited by a trusted authorized auditor who will verify the accuracy to the financial institution within 150 days from the end of the accounting period. • The Borrower must not use the money for the purposes other than those specified in the agreement. • The Borrower will notify the financial institution in writing immediately when there is any dispute or lawsuit that the Borrower is involved as a party. • The Borrower must not transfer, sell, rent, distribute or create any obligations with the Borrower's property unless it is the Borrower's normal business or the disposal of property that has deteriorated due to the nature or condition of the property itself. For opening credit letters and making trust receipts, the following conditions are applied. <ul style="list-style-type: none"> - The Borrower must maintain a ratio of the sum between the Cash, the Account Receivable (AR) and the Inventory Value (INV) to the sum of the Short-Term loan (ST) and the Account Payable (AP) at not less than 1 time $[(Cash + AR + INV) : (ST + AP) \geq 1 \text{ time}]$. - The Borrower will not create any obligations, debt, or responsibilities by borrowing or guaranteeing any persons which makes the Debt-to-Equity Ratio of the Borrower higher than 3 to 1, calculated from the total debt divided by the shareholders' ratio at any time. However, the Debt-to-Equity Ratio must not be less than 0. - The Borrower agrees to maintain the Debt Service Coverage Ratio (DSCR), calculated from Earnings Before Interest, Tax, Depreciation and Amortization (EBITADA) divided by Current Portion of Long-Term Debt (CPLTD) including the total interest expense on both long-term and short-term loans at a ratio of not less than 1.25 times.
Collaterals	<ul style="list-style-type: none"> • Land Title Deed No. 45360, No. 92622, No. 8781 and No. 93214 in Prakasa Subdistrict, Mueang Samut Prakan District, Samut Prakan Province, which are the Company's ownership, and other buildings on the land are mortgaged. • The properties that the contract giver has given as collaterals as stated above shall be considered as collaterals for debt and/or all obligations of the Borrower to the financial institution that already exists and/or will continue in the future.

Agreement 2	
Contract Date	May 31, 2017
Contract Party	Applied DB Public Company Limited ("Borrower") and A Financial Institution ("Financial Institution")
Loan Limit	Credit 60,000,000.00 baht (sixty million baht)
Purposes of borrowing	To use the loan for construction of inventories and warehouses and to purchase tools and equipment.

Agreement 2

Other important conditions	<ul style="list-style-type: none"> The Borrower must maintain a ratio of the sum between the Cash, the Account Receivable (AR) and the Inventory Value (INV) to the sum of the Short-Term loan (ST) and the Account Payable (AP), which is not less than 1 time $[(\text{Cash} + \text{AR} + \text{INV}) : (\text{ST} + \text{AP}) \geq 1 \text{ time}]$. The Borrower will not create any obligations, debt, or responsibilities by borrowing or guaranteeing any persons that makes the Debt-to-Equity Ratio of the Borrower higher than 3 to 1, calculated from the total debt divided by the shareholders' ratio at any time. However, the Debt-to-Equity Ratio must not be less than 0.
Collaterals	<ul style="list-style-type: none"> Land Title Deed No. 45360, No. 92622, No. 8781 and No. 93214 in Prakasa Subdistrict, Mueang Samut Prakan District, Samut Prakan Province, which are the Company's ownership, and other buildings on the land are mortgaged. The properties that the contract giver has given as collaterals as stated above shall be considered as collaterals for debt and/or all obligations of the Borrower to the financial institution that already exists and/or will continue in the future.

Agreement 3

Contract Date	May 7, 2019
Contract Party	Applied DB Public Company Limited ("Borrower") and A Financial Institution ("Financial Institution")
Loan Limit	Credit 80,000,000.00 baht (Eighty million baht)
Purposes of borrowing	To use the loan for purchasing land and constructing buildings.
Other important conditions	<ul style="list-style-type: none"> The Borrower must maintain a ratio of the sum between the Cash, the Account Receivable (AR) and the Inventory Value (INV) to the sum of the Short-Term loan (ST) and the Account Payable (AP), which is not less than 1 time $[(\text{Cash} + \text{AR} + \text{INV}) : (\text{ST} + \text{AP}) \geq 1 \text{ time}]$. The Borrower will not create any obligations, debt, or responsibilities by borrowing or guaranteeing any persons that makes the Debt-to-Equity Ratio of the Borrower higher than 3 to 1, calculated from the total debt divided by the shareholders' ratio at any time. However, the Debt-to-Equity Ratio must not be less than 0. The Borrower agrees to maintain the Debt Service Coverage Ratio (DSCR), calculated from Earnings Before Interest, Tax, Depreciation and Amortization (EBITADA) divided by Current Portion of Long-Term Debt (CPLTD) including the total interest expense on both long-term and short-term loans at a ratio of not less than 1.25 times.

Agreement 3	
Collaterals	<ul style="list-style-type: none"> Land Title Deed No. 317476 and No. 317477 in Bang Pu Mai Subdistrict, Mueang Samut Prakan District, Samut Prakan Province, which are the Company's ownership, and other buildings on the land are mortgaged. The properties that the contract giver has given as collaterals as stated above shall be considered as collaterals for debt and/or all obligations of the Borrower to the financial institution that already exists and/or will continue in the future.

Agreement 4	
Contract Date	July 17, 2019
Contract Party	Applied DB Public Company Limited ("Borrower") and A Financial Institution ("Financial Institution")
Credit limit	15,620,000 baht is a loan for energy conservation.
Purposes of borrowing	Energy Saving loan, working capital project for energy conservation by financial institutions; the government has a policy to provide financial assistance to private sector that owns buildings to be used for investment and energy conservation in factories and the bank agreed to provide financial support.
Other important conditions	<ul style="list-style-type: none"> For receiving the loan, the loan user shall withdraw the loan in the form of installments as necessary. The loan user must submit documents as required by the bank and inform the bank about necessary details in advance for approval. The loan user can request for a loan not exceeding 100 percent (one hundred) of the invoice selling price, but not more than 15,620,000.00 baht For the interest and interest payments, the interest under the project is 2.90 percent (two points, nine zeros). For payment, 60 equal installments are allocated.
Collaterals	-

- Loan Agreement with Financial Institution 2

Contract Date	January 29, 2015, latest revised edition, 5 June 2017
Contract Party	Applied DB Public Company Limited ("Borrower") and A Financial Institution ("Financial Institution")
Amount of loan	330,000,000 baht (previous amount is 255,000,000 baht). According to the copy of the amendment agreement, item 1. The Borrower agrees to increase the credit limit of 75,000,000 baht which is added to the amount of the original loan of 255,000,000.
Purposes of borrowing	<p>To increase the existing credit limit according to the revolving credit agreement dated January 29, 2015, and to provide the Borrower with sufficient revolving credit limit for business operations, the financial institution may consider additional revolving credit limit for the credit applicant for one or more credit limits as follows.</p> <ol style="list-style-type: none"> 1. Overdraft (O/D) 2. Provisionary Note (P/N) 3. Clean Bill Discount

Purposes of borrowing	<p>4. Packing Credit (P/C)</p> <p>5. Letter of Credit (L/C) and/or Trust Receipt (T/R)</p> <p>6. Collection limit, purchase/discount draft and/or other documents issued under the Letter of Credit (L/C) and/or under the Bill for Collection (B/C)</p> <p>7. Domestic Letter of Credit (D L/C)</p> <p>8. Aval and/or Acceptance</p> <p>9. Letter of Guarantee (L/G)</p> <p>10. Standby Letter of Credit</p> <p>11. Future Contract and Derivatives</p> <p>12. Pre-advice remittance</p> <p>The financial institutions may consider changing any of the credit limits as necessary. However, it must not exceed the credit limit in total.</p>
Other important conditions	<p>The credit limit under the agreement is an Uncommitted Line. The financial institution has the right to review, change, cancel, suspend and/or set conditions of the credit limits that the Borrower receives from the financial institution as necessary without notifying the Borrower unless there is a clear agreement in writing between them. In addition, the Borrower agrees to have the financial institution consider the increase and/or reduction of one or more credit limits as appropriate and necessary for business operations. However, it must not exceed the total credit limit specified in the attachment to this agreement.</p>
	<ul style="list-style-type: none"> When each credit limit is withdrawn, the Borrower agrees to sign a request and/or any other documents for the financial institution in the forms, with methods and details prescribed by the financial institution.
Collaterals	<ul style="list-style-type: none"> The land and buildings with Land Title Deed No. 37834, No. 45341, No. 453504, No. 83504 and No. 83505 in Prakasa Subdistrict, Mueang Samut Prakan District, Samut Prakan Province owned by the Company.

- Loan Agreement with Financial Institution 3

Contract Date	June 30, 2015
Contract Party	Applied DB Public Company Limited ("Borrower") and A Financial Institution ("Financial Institution")
Amount of loan	<p>470,000,000 baht with the credit limit for foreign transaction loan and/or any type of bill of exchange and/or multiple types, which does not exceed 390,000,000 baht and for FX Forward and/or Option limit for FX Forward within 80,000,000 baht which:</p> <ul style="list-style-type: none"> Foreign transaction loan for Letter of Credit (L/C) and/or Trust Receipt (T/R) will not last more than 150 days. Foreign transaction loan for Domestic Letter of Credit (D L/C) and/or Domestic Trust Receipt (DT/R) will not last more than 150 days. Foreign transaction loan for Packing Credit (P/C) will not last more than 180 days. The Borrower can withdraw the loan for foreign transaction for Letter of Guarantee to issue goods which is not more than 20% of the total credit limit (390,000,000 baht).

	<ul style="list-style-type: none"> The maximum amount that the loan applicant has the right to withdraw each time for FX Forward and/or Option limit in foreign currency trading will be in accordance with the financial institution's determination, considered from the fluctuation of reference factors such as exchange rates, etc.
Purposes of borrowing	To transfer the debt responsibilities of Trade on Demand Financing according to the credit agreement and other documents related to the withdrawal ("Original Agreement"), whereby the Borrower is no longer entitled to withdraw Trade on Demand Financing under the original agreement. However, FX forward and/or Option has not changed.
Collaterals	Mr. Pawat Wongtangtrakul and Mr. Wang Wanapraisorn guaranteed in full amount including principal interest and default interest.

- Loan Agreement with Financial Institution 4

Contract Date	April 6, 2007, latest revised edition, May 5, 2020
Contract Party	Applied DB Public Company Limited ("Borrower") and A Financial Institution ("Financial Institution")
Loan Amount	USD 3,500,000 limit
Purposes of borrowing	To use as working capital
Collaterals	-

(4) Insurance policies for assets for business operations.

The Company has insured the assets of the Company, offices, and factories with Bangkok Insurance Public Company Limited. The details of the policies are as follows:

Contract Date	May 28, 2020
Contract Party	Allianz Ayudhya Insurance Public Company Limited which is not a company/person related to the Company's shareholders, directors, and executives
Policy Number	010-MS-2020-0002316 (IAR)
Type of Insurance	Industrial All Risk Insurance
Period of Insurance	365 days, May 28, 2020 to May 28, 2021
Sum Insured	1,142,336,109.00 million baht (100% proportion)
Properties/Places Insured	Properties located at the factory No. 2711, 2602, 2523 ,8164 consisting of: 1. Construction (excluding the construction foundation), buildings, gates, fences, security guard offices, and building additions, 2. Machinery and component parts, 3. Stocks, raw materials, products in manufacturing process, finished goods and packaging, 4. Furniture, installed/built in fixtures.

<p>This policy extends coverage for loss or damage as follows.</p> <ul style="list-style-type: none"> - Damage to electrical equipment in the limit not exceeding 20.00 million baht per accident and throughout the period of insurance (including all insured places). - Loss or damage to the glass that is a part of the buildings caused by an accident with the limit not exceeding 20.00 million baht per accident and throughout the period of insurance (including all insured places). - Loss or damage to the insured properties caused by theft that appears traces of tampering, robbery (JorRor. 3) with the limit not exceeding 20.00 million baht per accident and throughout the period of insurance (including all insured places). - Loss or damage to the machinery with the limit not exceeding 20.00 million baht per accident and throughout the period of insurance (including all insured places). - Loss of money caused by industrial all risk (PorNgor.2) with the limit not exceeding 0.50 million baht per time and throughout the period of insurance (including all insured places). The details are as follows. <ul style="list-style-type: none"> • Loss of money within the insured place. • Loss of money inside safes or vaults. • Loss of money outside the insured place while transferring money within Bangkok and nearby provinces. • Loss to safes and/or vaults. - Loss or damage to electronic equipment, computers caused by accidents due to external factors and theft with the limit not exceeding 20.00 million baht per time and throughout the period of insurance (including all insured places). - Loss or damage caused by wind, rain, hail, frost, snow, flood, sand, or dust causing damage to outdoor real estate or those stored indoor with the limit not exceeding 10.00 million baht (including all insured places). • Body injuries and damage to property of the third parties and the tenants caused from possession, maintenance or the use of the insured places and the necessary actions or from the circumstances which the insured as the building owner is liable under the law with the limit not exceeding 20.00 million baht per accident and throughout the period of insurance (including all insured places). 		
Beneficiaries	Insured Places	Beneficiary
	Factory No. 271 ¹	A financial institution according to the obligation in the amount not exceeding 196.73 million baht.
	Factory No. 260 ²	A financial institution according to the obligation in the amount not exceeding 103.55 million baht.
	Factory No. 252 ³	A financial institution according to the obligation in the amount not exceeding 472.60 million baht.
	Factory No. 816 ⁴	A financial institution according to the obligation in the amount not exceeding 295.00 million baht.

Remark:

1. Factory No.271 Address 271 Moo 4 Sukhumvit Road, Prakasa, Muang, Samutprakarn 10280.
2. Factory No.260 Address 260 Moo 4 Sukhumvit Road, Prakasa, Muang, Samutprakarn 10280.
3. Factory No.252 Address 252 Moo 4 Sukhumvit Road, Prakasa, Muang, Samutprakarn 10280.
4. Factory No.816 Address 816 Moo 7 Sukhumvit Road, Bangpu Mai, Muang, Samutprakarn 10280.

(5) Other Agreements

- Marketing Assistance Agreement

Contract Party	Applied DB Public Company Limited (“Employer”) and Sparko USA Inc (“Contractor”)
Relationship of the agreement party	The Employee is a subsidiary of the Company and holds 100% of the Company’s share.
Contract Date	January 1, 2021
Contract Period	January 1, 2021 – December 31, 2021
Key content of the agreement	<ul style="list-style-type: none"> • The Employee agrees to cooperate in delivering marketing information to the Employer and grant the Employer the right to use the received information as follows. <ul style="list-style-type: none"> - Lists, details, and related information of customers, contact lists and purchase history of adhesive products (if any). - Strategic plans and marketing plans for the distribution of the Employer's products. - New technology that can be applied in the development of the Employer's products, both current manufactured and available products and new products. - Report on the movement of products in the same industry including industry overviews, trends, and prices of raw materials in the global market. - Provision of suggestions in the overall marketing of the Employer including packaging and public relations. • The Employer will pay \$4,000 per year as a pay to the Employee.

(6) Marketing Assistance Agreement

Contract Party	Applied DB Public Company Limited (“Employer”) and ADB USA Inc (“Contractor”)
Relationship of the party	The contractor is a subsidiary of the Company. and is 100% held by the Company
Contract Date	January 1, 2021
Contract Period	January 1, 2021 – December 31, 2021
Key content of the agreement	<ul style="list-style-type: none"> • The Employee agrees to cooperate in delivering marketing information to the Employer and grant the Employer the right to use the received information as follows. <ul style="list-style-type: none"> - Lists, details, and related information of customers, contact lists and purchase history of adhesive products (if any). - Strategic plans and marketing plans for the distribution of the Employer's products. - New technology that can be applied in the development of the Employer's products, both current manufactured and available products and new products. - Report on the movement of products in the same industry including industry overview, trends, and prices of raw materials in the global market. - Provision of suggestions in the overall marketing of the Employer including packaging and public relations. • The Employer will pay \$3,000 per year as a pay to the Employee.

1.2.4 Trademark

The company has registered a trademark with the Department of Intellectual Property, Ministry of Commerce Thailand and registered trademarks abroad. by registered according to the type of products related to the company's products both adhesives and sealants including related products under the company's brand as shown below



1.2.5 Investment policy in the subsidiaries and associated companies.

The Company takes into account the importance of the investment as it will affect the Company and its shareholders. Therefore, the Company has set the policy for investment in subsidiaries and associates to maximize the benefits of investment to the Company. Therefore, The investment must be in line with the Company's objectives, focusing on developing revenue and profitability of the company. In order to protect shareholders' interests, the Company will carefully consider and analyze prior to investment following advise by investment expert; whether it will generate a good return on investment, the potential risk and the financial status of both the company and its subsidiaries or associated companies in which the company invest, and including other contextual considerations arising during investment. Including, The investment in the subsidiaries and associate companies require the application for approval in accordance with Notification of the SEC title 'Criteria for significant transactions involved in Acquisition or Disposition of Assets' and Notification of the SET title 'Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004'. Such investment will be considered and approved by the Board of Directors and of the shareholders meeting, according to the company's articles of association or the law.

The Company will appoint a representative of the Company to serve as director of subsidiaries and associated companies in which the Company has been investing. In order for the Company is able to participate or to control the business operations of the subsidiaries or associated companies in accordance with the stated standard by the Company.

1.2.6 Unsent Assignment

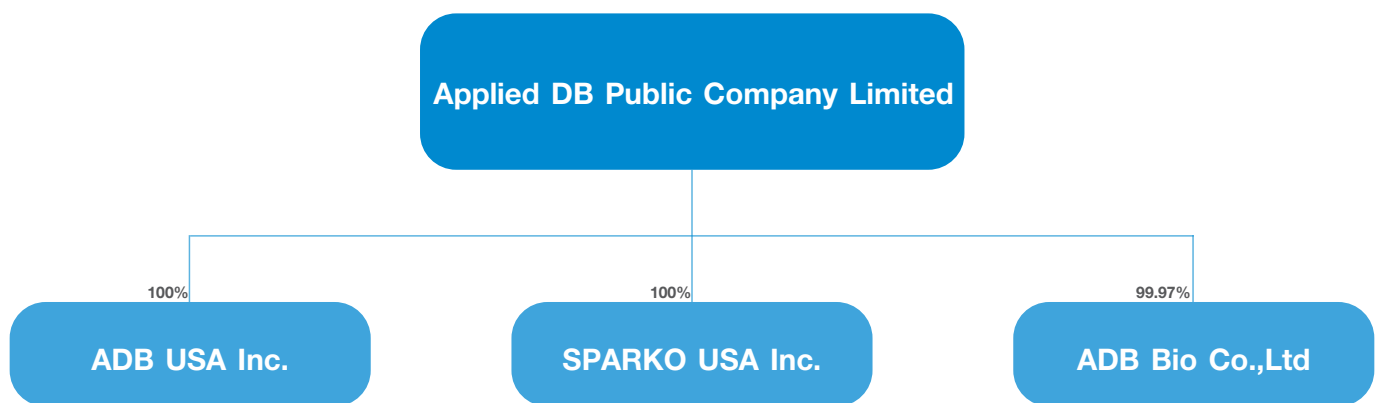
- There is no unsent assignment.

1.3 Shareholding Structure

1.3.1 Shareholding structure of the group of companies

The Company registered the 3 subsidiaries, USA including ADB USA Inc. and SPARKO USA Inc. at Delaware State on March 3, 2017 and March 10, 2017 respectively. The Company holds 100.00% shares in both subsidiaries. And on September 7, 2021, ADB Bio Co., Ltd. was established, with the company holds 99.97 shares.

Establishing these two subsidiaries aims to promote the Company's marketing and sales and to provide marketing information to the Company such as the economic situation and demand of the trading partners so as to expand demand for DIY products in foreign countries in the future. Some DIY products are traded under Group of ADB USA Inc. and Group of SPARKO USA Inc. However, neither of the two subsidiaries has any commercial transactions. If the Company wishes to expand its overseas markets, the Company can use the two subsidiaries as a distribution channel to overseas markets. The third subsidiary aims to provide biodegradable raw materials and semi-finished products that can replace traditional plastics, to support the development production, and distribution of biological products.



The Board of Directors and Executives of ADB USA Inc. and SPARKO USA Inc. are Mr. Wei Kai Wang, the Chairman of the Board of Directors and Mr. Jirawat Akkaranupornpong and Mrs. Wichitra Thubburee, the Director. and subsidiary company ADB BIO Co.,Ltd. are Mr.Wang Wanapaisorn, the Chairman of the Board of Director and Mr.Veerachai Wongcharoensin and Mr.Piriya Moungrak, the Director

The Board of Director, Ensure that there is a framework and mechanism to oversee the policy and operation of subsidiary companies and other business in which the Company make significant investment. At the appropriate level for each business, including the invested subsidiaries, has the same understanding and accuracy. With the guidelines following:

- 1) Determine investment policy in written document clearly.
- 2) Consider to appoint executive as deemed appropriate to be director and have term as same as the parent company.
- 3) Specify scope and authorization approval for major internal control and communicate to director prior to any action.
- 4) Disclose financial status information and performance of financial transaction in accordance with the rules and regulation of the Stock Exchange of Thailand.

1.3.2 A party who may have conflicts in subsidiaries or associates

- None

1.3.3 Relationship with the major shareholder's business group.

The group of major shareholders does not engage in any business that may conflict with the Company Group, including Directors, Top Management and related persons according to the definition of the Notification of the Securities and Exchange Commission no. Kor. Jor 17/ B.E. 2551, not the same type of business as the Company, including not performing any act to compete with the business of the Company, or becoming a partner in a company or an ordinary partnership, or being a partner with unlimited liability in a limited partnership, or being a director or employed or having power control over any business that operates the same type business and in competition with the business of the Company whether doing it for own interest or for other interests.

1.3.4 Shareholders

• List of major shareholders

Names and proportions of the top 10 shareholders as of the book closing date on December 30, 2021 are as follows:

No.	Major Shareholders	Number of shares	% of shareholding
1.	Wongcharoensin Group	167,420,870	25.3668
2.	Wongtangtrakul Group	79,842,654	12.0974
3.	Wanapaison Group	79,785,800	12.0888
4.	Thai NVDR Co.,Ltd.	31,393,861	4.7566
5.	Mr. Wei Kai Wang Group	23,709,867	3.5924
6.	Showa Global Limited	22,000,000	3.3333
7.	Thailand Securities Depository Co.,Ltd. For depositors	18,862,426	2.7589
8.	Ms. Mei Ling Shih	12,704,880	1.9250
9.	Ms. Pornpiwan Niramonedchai Group	9,500,000	1.4394
10.	Mr. Vorathep Srichawla	8,000,000	1.2121

- Note
1. Shareholding Proportion Calculated from the number of shares 659,999,981 shares
 2. The source of information from the company Thailand Securities Depository Co., Ltd.

• Shareholding of the Board of Directors and Spouse

No.	Name of Director	Number of shares as of Jan 19, 2021	Change		Number of shares as of Dec 30, 2021
			Receive	Disposal	
1.	Mr.Pawat Wongtangtrakul	22,215,920	2,221,592	-	24,437,512
2.	Mr.Wang Wanapaison	52,425,500	-	373,350	51,688,150
	Spouse	15,251,500	326,150	-	15,577,650
3.	Mr.Rattanachai Wongcharoensin	245,500	24,550	-	270,050
4.	Mr.Wei Kai Wang	19,988,720	-	1,278,929	18,709,791
5.	Ms.Pornpiwan Niramonedchay	5,368,440	-	-	6,300,000
	Spouse	3,700,000	-	-	3,200,000

No.	Name of Director	Number of shares as of Jan 19, 2021	Change		Number of shares as of Dec 30, 2021
			Receive	Disposal	
6.	Mr.Wutthichai Wongcharoensin	245,500	24,550	-	270,050
7.	Mr.Veerachai Wongcharoensin	795,500	-	190,450	605,050
8.	Mr.Mongkon Laoworapong	-	-	-	-
9.	Mrs.Monpilai H.Narasingha	100,000	-	100,000	-
10.	Mr.Chung Jen Yang	250,000	-	250,000	-
11.	Mrs.Kanchana Piyasatit	-	-	-	-

• **Shareholders' Agreement**

Company does not have any case that the major shareholders have shareholders' agreement which impact to the issuance and offer security or Company's operation which Company already signed.

1.4 Registered capital and paid-up capital

As of December 31, 2021, The Company has a registered capital of 329,999,990.50 baht, of which 329,999,990.50 baht is paid up, divided into ordinary shares 659,999,981 shares, par value of 0.50 baht per share. All ordinary shares are listed securities on the Market for Alternative Investment (mai).

1.5 Issuance of other securities

- None

1.6 Dividend Policy

The Company has the policy to pay dividend at least 30 percent of its net profit of each fiscal year after providing a legal reserve and carried forward of loss (if any) as required by law. However, the actual dividend payment will depend on the individual company's cash flow position, investment plan, obligations and other conditions of the agreements as well as other necessities and appropriateness in the future.

The Board of Directors approved a dividend payment must be presented for approval at the AGM. For an interim dividend payment, The Board of Directors is authorized to pay a dividend when the Company has sufficient profits to do so. The Board of Directors has to report to the meeting of shareholders accordingly.

Dividend payment information for the past			
Details of Dividend Payment	Year 2019	Year 2020	Year 2021
Net Profit (based on consolidated financial statements) (Baht)	3,263,137	69,660,733	-
Number of shares (Share)	600,000,000	660,000,000	659,999,998
Dividend per share			
- Interim Dividend (Baht/Share)	-	0.05*	0.05**
- Annual Dividend (Baht/Share)	0.01	0.05	-
The total amount of dividends paid			
- Interim Dividend (Baht/Share)	-	33,336,000*	36,669,598.89**
- Annual Dividend (Baht/Share)	6,000,000	33,000,000	-
Percentage of dividend payment per net profit (%)	183.87	48.17	-

* Paying interim dividend from retained earnings of Company end of September 30, 2020 at the rate of 10 existing shares per 1 ordinary share, totaling not exceeding THB30,000,000, and cash to pay withholding tax at ratio THB0.00556, totaling not exceeding THB3,336,000.

** Paying interim dividend from retained earnings of Company end of September 30, 2021 at the rate of 10 existing shares per 1 ordinary share, totaling not exceeding THB32,999,999, and cash to pay withholding tax at ratio THB0.00556, totaling not exceeding THB3,669,599.89.

The company has the dividend payment rate according to the company's dividend policy.

Subsidiary Company Dividend Payment Policy

The subsidiary company has the policy to pay dividend of its net profit of each subsidiary company to the shareholders each year at a rate of not less than 50 percent of net profit after tax. And after the various reserves. All categories are legal. The dividend payment will depend on the cash flow. The adequacy of working capital in business operations Investment plan loan repayment terms and conditions subsidiary company including legal, necessity and other future constraints.

The Board of Directors approved a dividend payment must be presented for approval at the AGM. The Board of Directors is authorized to pay a dividend when the Company has sufficient profits to do so. The Board of Directors has to report to the meeting of shareholders accordingly.

2. Risk Management

2.1 Risk management policy and plan

To provide effective risk management and coping with potential impacts on business operations which may occur on the business operations, able to maintain competitiveness in uncertain and volatile conditions. The Company has applied the COSO ERM risk management approach by emphasizing integrated management covering risk management within the Risk Appetite, as well as, connecting Risk Appetite into the management process of creating the strategic plan, business plan, operational plan in accordance with the objectives and goals of the enterprise, including identification the key six risks factors according to PESTEL Analysis Framework that consists of Political, Economic, Social, Technological, Environmental and Legal both internally and externally, based on stakeholders expectations (Stakeholder) and focuses on Emerging Risks factors (Emerging Risk) which may affect the business in short term, medium term and or long term. Proactive and active will be the advance alert system to prepare for proactive measure in order to prevent risk in advance and create opportunities for business growth, to provide risk management closely, as well as reporting on the results of risk management at a high importance level to the Risk Management Committee. The Low to medium priorities are reported to supervisory level and arranges monthly meetings for Top Management, and to report progress to the Board of Directors quarterly. In addition, the Committee opinioned that the Company has confronted social and environmental risk associated with technological change, and consumer behavior which a tendency to greatly emphasize on selecting environmentally friendly products. So that the Company needs to assess opportunities and risks in a time manner, adapt to the use of various technologies in production processes in order to increase efficiency and to reduce environmental impact, as well as develop and invent products that respond to sustainable consumption.

For effective risk management, in order to eliminate or control factors that may adversely affect or cause damage or hinder success, achieve the business goals, create customers satisfaction, and provide good returns to shareholders and all stakeholders, results that the Company is able to operate business stably and continuously with efficiency according to the following guidelines.

- 1) Build understanding, conscience and shared responsibility on risks, control and risk impacts for the company in the management and operating procedures of employees and executives at all levels in the company.

- 2) Set in place procedures, guidelines and measures in suitable risk management meeting international standards in terms of quality and sufficiency. In addition, identify, analyze, evaluate, prioritize, manage, control, monitor, report, assess, communicate and provide information about risks continuously, regularly and with company-wide practice.
- 3) Set in place qualitative risk assessment such as on the company's reputation and image and quantitative risk assessment such as loss, reduction of income and increased expenses with considerations to probability of occurrence and impacts.
- 4) Specify risk limits to restrict potential damages to a level deemed acceptable by the company. Additionally, specify warning sign situations or risk levels in order to have operators take actions to prevent risks from exceeding set limits.
- 5) Specify work regulations in writing to have executives and operators adhere to in order to control risks during work operations.

In the year 2021, the Risk Management Committee has assessed, controlled, and monitored risk management in all aspects both strategic risks, operational risks, compliance risks, including sustainability development risks, overall risks in all aspects of the Company at a level that can be managed. The identified risks are assessed from the current situation. However, there may be other risks that the Company is unable to predict at the present time or the risks that the Company considered at the moment that do not have any significant impact on the Company's business operations according to the analysis and description of the management transparently disclosing to data user.

2.2 Risk factors on business operation

1) Economic and Emerging Risks

Risk Issues	Impact to the Company	Mitigation
Raw Materials Procurement	<p>From the trade situation in Thailand and around the world, safety management of personnel in the supply chain has been slowing down by the risk factors. In a situation of economic volatility and the spread of COVID-19 has been affecting the supply chain as follows:</p> <ul style="list-style-type: none"> o Higher raw material costs caused by inconsistency of demand and supply. The price of raw material was higher and more volatile than previously expected. o Transportation costs continued to rise with container shortages, administration cost for personnel as a whole, taking more times to transport. o Quality of raw material from the reserve area. 	<ul style="list-style-type: none"> • The Company has operated its business prudently in order to minimize the impact of its business operations from the financial and economic situations by maintaining a low level of debt to equity, as well as, having good relationships with business partners, creditors and banks. • Tracked the movement of product prices, various production factors from market trends, oil prices, inflation, interest rates, exchange rates, and politics, economy, COVID-19 epidemic both within the country, abroad and in the business partners country, assess the supplier's risk and seek the additional sources of raw material when necessary.

Risk Issues	Impact to the Company	Mitigation
	<ul style="list-style-type: none"> Plans were changed frequently and deliveries may be delayed. The stability of raw material sources, The main important raw material of the Company are Polymer and Solvent, which are obtained from the petroleum refining process, from the refining of energy from fossil. Risk factors from stagnation of supply, COVID-19 epidemic, tensions from the hostilities from Russia and Ukraine, as well as, a global climate crisis, will inevitably affect the stability of raw material resources. 	<ul style="list-style-type: none"> Managed good relationships with business partners, develop planning with business partners, creating the close cooperation with business partners so that business partners can use it to accurately plan the production and replenish stocks in situations of great uncertainty as possible. Negotiated with business partners, flexible credit terms for some with high cost rates, reduced the payment time to pay faster in some situations, and there were also cases where the business partners extended the payment period to the Company for certain products. Managed short-term and long-term plans, adjusted each situation to be flexible and responsive to needs, and coordinated the ability to deliver to both business partner and customers by prioritize the key customers and or key target customers, etc. Developed new products and find new business partners, regularly study production innovations and market demand trends by allocating research and development budgets as appropriate.
Sales and Marketing	<p>Concerns about market and economic conditions, uncertainty in demand and supply, and lockdown according the announcement of the working group COVID-19 Situation Administration Center (CDC), workplace closures, travelling, transportation, preventive plan in each situation of business partners that affect sales and marketing as follows:</p> <ul style="list-style-type: none"> Risks on demand and supply of the Company's product, decreased for the product in the student shoes market; adhesive, and sealants, electrical wires in the construction industry, etc. 	<ul style="list-style-type: none"> Expanded and maintained relationships with former customers, assisted where possible such as extending the repayment period for some time on case by case basis, temporarily extending the credit limit, etc. Looked for opportunities to create new customers, new markets, prepared for products, sales persons, and communication channel to gain new market and new customer or new customer looking for a new business partner, the existing partner may have restrictions.

Risk Issues	Impact to the Company	Mitigation
	<ul style="list-style-type: none"> • Postponement of various trade fairs that reduced the chances of meeting new business partners or finding new products, new innovation, and consumer trends in activities or in an exhibition. • Compliance Cost, the cost of oversight of regulations, laws, standards, trade contract and stakeholder expectations that the proportion were increased. 	<ul style="list-style-type: none"> • Providing systematic data filing, taking advantage of data analytics and offering products to suit the nature of the business, concise, time consuming. Used appropriate sales channels in order not too much disturb customers in the epidemic prevention system. • Prepared the readiness for providing a greenhouse gas emission report, and providing plan to reduce greenhouse gas emission, hedging against risks and increasing the likelihood of business partners and customers demanding emissions in accordance with the Net Zero policy from COP26 meeting.
Innovation	<ul style="list-style-type: none"> • Trends in demand for safe and environmentally friendly products • The costs of changing the production process to use clean technology. • Availability of personnel • Punctual operation, in case of investment promotion policies and law enforcement from the government. 	<ul style="list-style-type: none"> • Opened a subsidiary ADB Bio to supply biodegradable raw materials, developed bio-based products to replace traditional plastic products. It was in line with the government policy to encourage the elimination of single use plastic. • Developed products to meet the needs of customers who were interested in environmentally friendly products. In 2021, the Company had an increase in sales of environmentally friendly product by 35% of sales and aims for more environmentally friendly products at a rate of 10%. • ought raw materials for production that do not rely on only existing sources of production or the same country anymore. In the year 2021, there were 15 new business partners with 8 alternatives raw materials.

2) Social Risks

The outbreak of COVID-19	<ul style="list-style-type: none"> • Cost of prevention and treatment • Lack of power when infection occurs. • Continuity or delay in operations. • Corporate reputation 	<p>The Company emphasized on the internal epidemic prevention with the following important functions:</p> <ul style="list-style-type: none"> • There were the proactive management both within the Company and family of employees. The Federation of Thai Industries (FTI) launched the "COVID control measures industrial sector
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2) Social Risks

Risk Issues	Impact to the Company	Mitigation
		<p>D-M-H-T-A, in which that the Company has applied with, by implementing the preventive measures and corrections since the Outbreak in late 2020 – December 2021, There were the employees infected within the family, from the residence 9.6% of all employees, suspended the work for treatment or self-isolation according to risk factors. However, there was no any infection inside the Company till the stage of suspension any production.</p> <ul style="list-style-type: none"> • Provided 2 doses of Sinopharm vaccine and preventive injections for employees and their families. The injections were given on July 3 and July 31 and the third dose of Moderna vaccine was subscribed, which will be ready in March 2022. While waiting for the third dose, there was a campaign to provide alternative vaccination channels for employees to get vaccinated as much as possible. A survey found out that 50% of employees received the 3rd dose vaccination. (as of January 31, 2022).
Personnel, Development and Information Technology	<ul style="list-style-type: none"> • Cost of staff training to develop employees in the organization, together with the retaining the good personnel and talented personnel within the enterprise. • Lack of continuity in operations when there is a lack of replacement personnel in important positions of the organization. • The cost of environmental adjustment and work safety in order to create a good quality of life in the organization. • Rely on personnel rather than the use of information technology systems. • Compliance cost of Human Right 	<p>The Company emphasized on personnel development and the well-being of employees in the enterprise with the following actions:</p> <ul style="list-style-type: none"> • In 2021, the Company provided training courses for employees of all levels from a survey of training needs that the Company needed to enhance Hard Skill and Soft Skill, to increase EQ skills and work attitudes to suit each job segment. Total training hours increased from 2020 by 1,222 hours representing an increase of 23.95% compared to the previous year. • Succession plan progress in 2021 was the 2/4 year of the first phase of the project by specifying the criteria to consider the important job positions, age of management that needed to prepare successors with

Risk Issues	Impact to the Company	Mitigation
		<p>the necessary qualifications of key positions and have been selected who were suitable for succession in various positions. The work has achieved 60 % of the project and the next step will be to define the clarity in terms of Competency and Training and Development Roadmap for the selected personnel to be Successor for 40%, then the first phase can be achieved. the necessary qualifications of key positions and have been selected who were suitable for succession in various positions. The work has achieved 60 % of the project and the next step will be to define the clarity in terms of Competency and Training and Development Roadmap for the selected personnel to be Successor for 40%, then the first phase can be achieved.</p> <ul style="list-style-type: none"> Adjusted the working environment by adding the green areas. In 2021, there was an increase of 3.4% of the green area from the previous year. Currently, there is a green area of 6% of the total area.and the space in the Company is quite limited. Management has been looking for planting outside the Company as another force to help protect forests and reduce carbon dioxide by gradually planting and caring for more trees for additional greener areas in the coming years. Prepared an information technology system development plan to provide the database in digital, in order to reduce dependence on personnel, increase the credibility of the information, reduce operating cost, reduce paper use and reduce exposure which in 2021 was the initiative of the program, achieved 50% of the target. This was one of the reasons for employee's satisfaction increased by 10.12% from the previous year.

Risk Issues	Impact to the Company	Mitigation
Occupational Safety and Health	<ul style="list-style-type: none"> • Damage to health, life and properties of employees and the Company. • Continuity of operations. • Corporate reputation. 	<ul style="list-style-type: none"> • Create a system to prevent accident at work, both on the knowledge and capabilities of personnel, and working system of equipment and machine, and effective different alarm signals. • Emphasize on the accurate root cause analysis and effective measure to prevent recurrence. • Ensure that the accident KPI is part of the management's performance measurement. • Use of less hazardous chemicals, produce and sell products that do not use RoHS prohibited chemicals in plastic resin products and produce Low VOC in adhesives and sealants products, which will encourage more Green in the construction industry and the infrastructure.

3) Environmental Risks

Risk Issues	Impact to the Company	Mitigation
1. Climate and greenhouse gas and emissions.	<ul style="list-style-type: none"> • Climate change in many regions of the world, an accident seasons change hinder the transport season that may be a shortage of raw materials in the supply chain in the future. • Greenhouse gas emissions may affect the Company. It is the risk in the next 3-5 years if the Company does not provide the preventive measure early, to know the amount of emissions, to control the release, reporting that affects export to European customers and many other countries that have adopted Net Zero measure. If the Company does not adapt, will lose market share or lose the opportunity to get the new customers. 	<ul style="list-style-type: none"> • Top Management, Employees in related area have duties to learn about greenhouse gases through internal and external training, learning from case studies of the successful entrepreneurs of similar size, to apply to the internal planning of the organization to be ready for the implementation of the greenhouse gas reduction policy in the enterprise. • Improved all database sources preparation that will make the collecting of greenhouse gas reports reliable and complete, and setup target to be reported and reviewed by the licensees in 2023.
2. Electrical Energy	<ul style="list-style-type: none"> • The price of electricity has increased, affected to the price of product cost and lost the opportunities to compete. • It is the Company's largest source of greenhouse gas emissions. 	<ul style="list-style-type: none"> • Invested in renewable energy by using solar power systems instead of buying electricity by investing in the construction of Solar Roof Top in the 1st PVC resin factory, which had a capacity of 532.76 kW in 2020, able to produce electricity equal to 0.52 Gw/h, saved the electricity of 14.75%, reduced cost by 2.0

Risk Issues	Impact to the Company	Mitigation
	<ul style="list-style-type: none"> It is an energy source that has the opportunity to run out or is insufficient to meet the needs of the industry and the consumption of the population. 	<p>million baht or reduced the total energy consumption of 6.31% of the whole Company. And in 2021, able to produce electricity equal to 0.63 Gw/h, save electricity of 18.80%, reduced cost by 2.4 million baht, equivalent to reduced total electricity cost of the Company for 7.28 %</p> <ul style="list-style-type: none"> Allocated budget for the second plastic resin factory, which has had an increasing rate of electricity consumption every year, which has had the capacity of 343.33 kW, and the Company has expected that able to save the cost for 15% in 2023 – 2024. Complete installed automatic on-off light bulb system at the corridor of 4th branch, then will continue to improve the lighting system in non-routine areas such as kitchens, bathrooms, additional garages in all remaining branches. There were measure to save energy from office air conditioners by washing and cleaning regularly.

3. Business Sustainability Development

3.1 Sustainability Management Policy and Targets

ADB has begun developing sustainability driven business report. This issue was the 2nd year since 2020, with objectives to publicize the economic, social and environmental operations to stakeholders. This report covered information during January 1 , December 31, 2021, and some continuity items have been extended until January 31, 2022. If relevant, the date of acquisition of the information will be indicated.

ADB has a policy to conduct business in accordance with the sustainable development guidelines, by considering the risks, opportunities, needs, and expectation of all stakeholders to use information to formulate business strategies for sustainable growth to create balance in terms of economy, society, environment, by striving to develop alternatives to meet the several and different needs of customers and consumers under the principles of sustainable business, focusing on caring on environmental and ecosystem, creating maximum safety at work as well as developing society and communities around the establishment where the Company is located. Therefore, the Board of Directors, Top Management, and Employees have duties to support, drive and comply with the policies and framework of sustainability management that are defined as follows:

1. Considering on the balance of the economy society and environment, including all stakeholders.
2. Focusing on reducing the impact of the Company's through the process of improving work and finding alliances with vendors to reduce the impact along with business growth, and covering

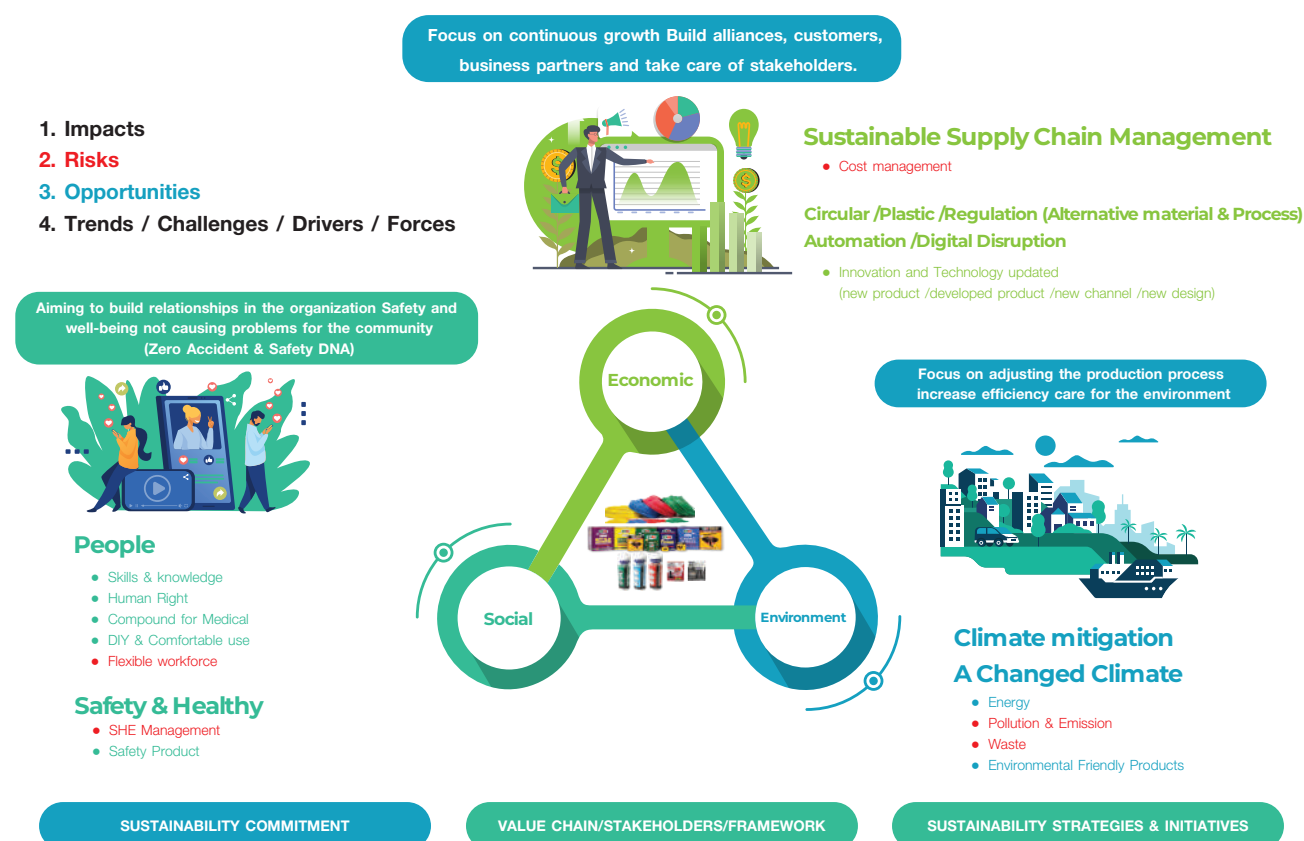
social and environmental dimensions throughout the value chain.

3. Promoting human resource development and innovation development, operational technology for sustainable future.
4. Complying with applicable laws and regulations and respecting the international guidelines, including all types of corruption.
5. Disclosure of sustainable organization development policy, sustainability and performance data in all dimensions according to the accepted international standard guidelines.

Sustainable Business Goals

ADB is committed to improve the internal processes, personnel development, improving production technology, product development that are the foundations for sustainable development. At the same time, there will communicate to vendors, customers, and stakeholders for such commitments to see the benefits of being partners in various fields, to bring demand, expectations to lead to the development of resources, capabilities, technology, and quality products and services that meet the needs of economic, society and environment. Therefore, it will be truly sustainable growth.

The sustainability goals have covered the economic, social and environmental aspects. The framework of good corporate governance structure is the main guideline in the work shown in the picture below. In addition, the Board of Directors, Top Management, all Employees have duties to support, drive, integrate throughout the organization and to comply with the policies, strategies, and goals as stated, including transfers to the subsidiary and communicate to the all groups of stakeholders, as well as communicate and support both government and private organizations within the country and abroad to enhance potential on sustainable development.



Management Approach

In the work period of 2021, the Company has driven the key policies for sustainable business development namely; supply chain management, priority each group of vendors, vendors risk assessment with the preliminary information available and begun to explore the business operation of vendors which the selling – buying transaction in this current year by completing the Self-Audit Checklist which consisted of Corporate Governance, Anti-corruption, environmental caring, social development, and personnel employment, received a feedback of 27% which helped the Company to ensure that the procurement of the Company will reduce the risk from procuring from reliable sources and have more environmentally friendly products.

Scope of Reporting

Information presented in this report includes: sustainable development performance of all businesses which consists of PVC resins business that producing plastics resins for use in the electric wire, telephone wires, and various electronic devices, plastic resins for medical purposes, adhesive business and small sealant and adhesive business to use as product in footwear, leather goods, furniture, construction, automotive and direct-to-consumer industries through dealers. Reporting data is not yet available to the Global Reporting initiative (GRI) standards that presenting key indicators, as well as the sustainable development goals (SDGs), which the Company intends to improve the reporting format to meet both standards as soon as possible and to report results latest in 2023.

Key performance in the year 2021.

Sustainability Goals		Performance in the current year
Corporate Governance	• Motivation of good corporate governance culture throughout the organization	<ul style="list-style-type: none">Increasing the learning and application rate for Directors and Top Management. In 2021, there were the important training as follows:<ul style="list-style-type: none">Asst.Prof.Dr.Monpilai H.Narasingha, Independent Director, Member of the Audit Committee, Member of the Risk Management Committee and Member of Investment Advisory Committee attended the seminar with the Global Association of Risk Professionals (GARP) in the course titled Sustainability and Climate Risk, which brought knowledge to build on greenhouse gas data preparation and target establishment for corporate carbon footprint certification.Dr.Mongkon Laoworapong, Independent Director, Chairman of the Audit Committee, Chairman of Risk Management Committee, and Chairman of Investment Advisory Committee, attended training with ICGN on
	• Enhancing knowledge and understanding of corporate governance principles for all employees.	

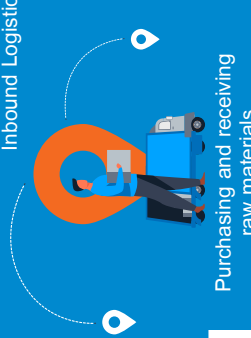




Sustainability Goals		Performance in the current year
		<p>the course of Stewardship & Sustainability Course and brought the knowledge to build on the preparation of training plans to increase skills for employees on the topic of “Sustainability Business development roadmap”</p> <ul style="list-style-type: none"> o Training hours of Directors, Top Management, and employees in business operations for sustainable development was 35.79 compared to last year.
Value Chain	<ul style="list-style-type: none"> • Creating mutual growth with stakeholders throughout the value chain 	<ul style="list-style-type: none"> • Providing database of vendors, prioritizing suppliers to analyze and to manage environmental, resources, social risks, including corruption in procurement. • Initiating a survey of vendors by completing the Pre – Qualification Questionnaire of all 800 trading partners and will complete the survey on all trading partners during the year. and have a response to the assessment The criteria are to pass a 90% assessment and apply to all new trading partners in the first quarter of 2022. • Providing customer database and increasing the effectiveness on service performance.
Community and society	<ul style="list-style-type: none"> • Creating values for social development in the dimensions of sustainability by focusing on development that meets the real needs of the community’s stakeholders. 	<ul style="list-style-type: none"> • Official announcement on social and environmental responsibility policy on website and annual reports to be used as a guideline for working together among the Company and stakeholders. • Continuously promoting volunteer activities, to be ready to cooperate with alliance networks for creating benefits for society and community.
Employees	<ul style="list-style-type: none"> • Creating the readiness of personnel to be smart, good people, loving and committed to the organization in order to become an potential organization for development, keep up with changes, and sustainable physical and mental healthy. • Signing the Code of Business Conduct and Anti-Corruption Practices. 	<ul style="list-style-type: none"> • Enhancing the potential employees to be both talent and good people and love the organization by carrying out the development according to the master plan, sustainability development and succession plan of 2nd year of the first phase of the project. • The Company’s employees obtained the policy and participated in the anti-corruption

Sustainability Goals		Performance in the current year
		activities and signed on the pledge of ratification against corruption on behalf of the document “ Employee Ethics Agreement Anti-Corruption and Anti-Corruption Cooperation” 100% complete.
	<ul style="list-style-type: none"> Knowledge sharing between Employees and Top Management 	<ul style="list-style-type: none"> There are the number of internal trainers from the reinforcement of talent and good people, totaling 13 people from operational level, and willing to volunteer to provide training for internal knowledge within organization on their own specialties and useful to their college employees. 72% of the target group.
Safety	<ul style="list-style-type: none"> Preventing accidents from the Company's operations, not to affect to the health of employees society and community. 	<ul style="list-style-type: none"> From the Risk Management Committee meeting and resolution of the Board of Directors, has had an opinion for the Company to prepare for ISO45001 safety standard and be certified by an accredited institute within 2022. The Board of Directors and the management have joined the training on the topic of “Risk Assessment to prevent catastrophic in chemical industry and management for industrial factories to prevent flooding”
Resources and Environment	<ul style="list-style-type: none"> Using resources high effectively and minimizing the impact on the environment. 	<ul style="list-style-type: none"> Collaborating with the Federation of Industries in the Eco Factory project which assisted to drive the implementation of the cost effective use of resources, including raw materials, electricity, water and various production factors.

Supply Chain Management	Unit	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Goals for year 2022
Existing vendors who were screened for environment items.	%	n/a	n/a	n/a	n/a	30.21%	Tier 1 100%
Existing vendors who were known and complied with the vendors conduct principles.	%	n/a	n/a	n/a	n/a	27.08%	all levels of importance 100%
Vendors who already signed a agreement against anti-corruption and fraud.	%	n/a	n/a	n/a	n/a	27.08%	Tier 1 90%
New vendors who were screened for environment items.	%	n/a	n/a	n/a	n/a	10.27%	100.00%
New vendors who were known and complied with vendors conduct principles.	%	n/a	n/a	n/a	n/a	10.27%	100.00%
Customer satisfaction index	%	83.65%	85.42%	86.00%	88.00%	91.00%	85%
Number of social and environmental complaints from customers	Case	0	0	0	0	0	0 (Zero)
Number of complaints related to data lead for customers data.	Case	0	0	0	0	0	0 (Zero)

3.2 Impact Management to Stakeholders in the Business Value Chain.

3.2. Business value chain

 1 Inbound Logistics Purchasing and receiving raw materials	 2 Operations Processing	 3 Outbound Logistics Product Delivery	 4 Marketing & Sales	 5 Services
<ul style="list-style-type: none"> Product design, certification and development. Vendor selection and evaluation Procurement Supplier development and risk assessment of key vendors at Tier 1 level. Raw material and packaging quality inspection. Raw material storage, packaging, inventory management. Chemical Safety Management. Legal Compliance Safe delivery both for chemical hazards and the health of raw materials providers. Contract commitment and code of vendors conduct principles. 	<ul style="list-style-type: none"> Receiving orders and review customers' orders Production planning Production process control Final product quality inspection. Finished product preservation Compliance with the prohibited substances control regulations that have an impact on the environment. Maintenance on equipment and production machinery. Safety, occupational health and working environment. Employee screening to prevent the spreading COVID-19. On the job training and general training. Infrastructure and facilities management. 	<ul style="list-style-type: none"> Selection and assessment transport services provider Caring for the safety and health of transport workers. Screening for the spreading of COVID-19 inside the Company and entering the customer's company. Product delivery to customers Product information safety data sheet TDS, MSDS, Certified data according to customer requirements. 	<ul style="list-style-type: none"> Survey on customer demand and satisfaction. Bidding and sales forecasting Asset management and production under customer's brand Contract commitment and code of vendors conduct principles. Marketing sales plan Sales channel development Meeting with customers in epidemic prevention situations. Customer reach, and responding to the customers expectations for the major changes. 	<ul style="list-style-type: none"> Technical services After-sales services Representative training and development, meeting with customers, vendors, cooperation for alliances. Site visit to production process and process audit. Product and services Responsibility Receiving complaints and complaints handling. Information and data.

3.2.2 Analysis of stakeholders in the business value chain

ADB had identified stakeholders into 7 groups: 1) Shareholders/Investors/Analysts 2) Customers/Affiliates/dealers 3) Employees 4) Regulators / Government Agencies 5) Vendors/Contractors/Service Providers / Creditors 6) Community / Society / Surrounding Entrepreneurs 7) Independent organizations / Institution / Certified Agency / Academics. Each group of stakeholders may be affected from the business operation or affected to the business operation of the Company in different level. Therefore, the groups are divided for management and analysis of the needs, expectation of stakeholders, communication channels, performance, including the Value Creation results from education and working with stakeholders, and the key expectations are outlined in the table below:

Stakeholder Engagement Analysis

Stakeholders	Interest/Concerns	Engagement Channels	Corporate's Response	Value Creation
Shareholders / Investors Analyst	<ul style="list-style-type: none"> Business growth potential, capabilities to adapt to change situation appropriately. Return on investment has a satisfactory result. Profitable and growing business operation and good image. Good corporate governance together with ethics to operate, and does not and not encourage fraud and corruption. Stable enterprise and continuous to grow. Accurate, in time and transparent data disclosure Provide a reliable risk management system Provide good internal audit and control system. Operate business in compliance with requirements of laws and regulations related to environment, society, and community. Not disturb nearby communities. 	<ul style="list-style-type: none"> Arranging shareholders meeting Performance announcement by quarterly. Meetings, appointment with analysts, telephone or e-mail the inquiries to the investor relations department and the opportunity to visit the factory. Listed companies meeting opportunity day with investors. Annual report Complaints through whistle blowing complaints channels. 	<ul style="list-style-type: none"> Building a strong foundation for sustainable business operations. Paying appropriate dividends. Establishing good corporate governance policies and director's supervision with transparency, fair and verifiable. Developing a business strategy. Comprehensive risk management Preparing and communicating, enforcing anti-corruption and fraud policies Providing internal control audits by external service providers quarterly. 	<ul style="list-style-type: none"> Confidence in obvious performance National achievement award of a trustworthy organization that has been awarded THSI CG 4 star & Eco factory for factories for 2 branches.

Stakeholders	Interest/Concerns	Engagement Channels	Corporate's Response	Value Creation
Customers/sales representatives/dealers	<ul style="list-style-type: none"> • Be a good vendor with honest, sincere as a long-term alliance. • Providing a variety of products to meet the market needs, usages, and environmentally friendly products. • Rapidly in solving problems and corrected appropriately. • Respond the requirement and expectations, systematically manage customer relationships • Received accurate technical information of products and services. • Reasonable prices of goods and services. • Products that are less hazardous or environmentally friendly. • Transparent price competition. • Potential for business growth, capabilities to adapt to change situation as appropriate. • Receive quality products, and services in compliance with requirements. • Product delivery, transportation, do not contaminate the product, cares for environment. 	<ul style="list-style-type: none"> • Visit clients and representatives. • Arrange the exhibition • Satisfaction survey. • Providing technical knowledge to customers and representatives. • Opportunity for customer, sales representative to visit the Company or various audits through the quality audit, product audit, process audit, etc. • Activities with customers and sales representative • Training for clients and sales representatives. • Provide opportunities for customers to visit the factory. • Complaint through Whistle Blowing Complaint Channel. 	<ul style="list-style-type: none"> • Providing organizational management to continuously develop organizational products and services. • Customer relationships management with CRM system • Quality management with ISO9001 standards and environmental management according to ISO14001 standards. • Providing code of ethics in keeping confidential information of customers and vendors. • Quality management with ISO9001 standards and environmental management according to ISO14001 standards. • Providing code of ethics in keeping confidential information of customers and vendors. • Providing product inspection and certification both before entering into the process and before the delivery with international laboratory standards. • Can visit the process and can inspect the quality system. 	<ul style="list-style-type: none"> • Products and services are good, quality as expected, with growth rate of environmentally friendly products increased by 35%. • Have a good relationship, long term business cooperation.

Stakeholders	Interest/Concerns	Engagement Channels	Corporate's Response	Value Creation
	<ul style="list-style-type: none"> Transportation of goods is complied with Transportation Act. Fair compliance with the agreement Having code of ethics for protecting trade secret. Product certification with reliable standards. Improve product processes to be efficient, consistent quality products, and reduce environmental impact. innovative products, meet the change requirement appropriately. Visit to the Company or inspect the process. 		<ul style="list-style-type: none"> Providing improving and maintaining production equipment, testing equipment, electrical equipment in production efficiently. Providing inspection and certification of various working systems by outside agencies and according to the law. Providing training to distributors. Providing Technical Service Duties to manage value chain Cost and pricing efficiency. 	
Employees	<ul style="list-style-type: none"> Learning and skill development (Reskill , Upskill), and increasing capabilities to accommodate business changes. Directions of the organization's operation and awareness of important news. Caring employee, safety, security, welfare and fairness. Complaints are handled reasonably. Continually improving performance to reflect the Company's business operation. Employees are compensated appropriately. Strict and fair working regulations. 	<ul style="list-style-type: none"> Employee engagement/employee satisfaction with the enterprise survey. Town Hall Meeting Performance Assessment of performance indicators. Communication, sending new through announcement, discussion, meetings within organization, Exchange of opinions between supervisor and employees in the organization Interview with representatives of employees, meeting with the labor 	<ul style="list-style-type: none"> To know problems, expectations, to understand employees needs and to facilitate employees to work happily and to increase productivity. Improving the infrastructure and work systems within the factory by considering the impact on the health of employees and the environment Disclosure of operational information in order for employees to be aware of the movement of the Company's business. Creating culture to promote cooperation with various stakeholders 	<ul style="list-style-type: none"> Employees received proper training for career advancement. Providing continuous competency development. Providing stability and career advancement in work. Occupational safety, health, and work environment assessment. Complaint management mechanism and the results of the satisfaction assessment.

Stakeholders	Interest/Concerns	Engagement Channels	Corporate's Response	Value Creation
		<p>union, or the Employee Welfare Committee or participating in the exchange of ideas through annual welfare committee representatives.</p> <ul style="list-style-type: none"> Complaints through Whistle Blowing 	<p>both for the chairman of labor union, chairman of the Employee Welfare Committee.</p> <ul style="list-style-type: none"> Informing the roles and responsibilities of each position and providing review and evaluating annually. Providing human resources development plan and establishing training goals, employees' skill and competency development (Skill Matrix), determining to drive the organization with Eco-Culture employees. Performing labor in accordance with human rights principles, fair employments, no forced labor of discrimination Screening to prevent the spreading of COVID-19 and the preparation of various measures in order to prevent the spreading internal and people who come in contact within the Company Providing 2 doses of COVID-19 vaccine to all employees, and reserving the 3rd dose vaccine for employees, which will be vaccinated in March 2022. 	

Stakeholders	Interest/Concerns	Engagement Channels	Corporate's Response	Value Creation
			<ul style="list-style-type: none"> Enhancing white factory policy and providing random drug test by specialist. Providing complaint channel that protects the complainant and the complaint information is sent directly to the responsible person only. 	
Regulators / government agency	<ul style="list-style-type: none"> To perform business in accordance with legal requirements, regulations or relevant rules To cooperate with government agencies and to present the good guidelines for sustainable development. To disclose the business operation information with transparency, verified, and in timely manner. To operate business by focusing on the impact of environment and the safety of society and the community. 	<ul style="list-style-type: none"> To organize a forum to listen to opinions or to meet entrepreneurs in the area or to meet community. Annual report and sustainability report. To organize factory visit activities Reporting on business performance and performance to relevant government agencies according to the specified frequency by the government agency. Interviews with representatives of government agencies and related agencies. Ministerial meeting, participating in various activities and regular visit to project organized by government agencies Joining the government-initiated cooperation committee. 	<ul style="list-style-type: none"> Providing transparency good governance such as tax policy, anti-corruption, ethics of Directors, Top Management, and Employees, risk assessment, preparation of reports accurately, on time, etc. Disclosure of various operational policies on the Company's website: https://www.adb.co.th/ Providing Silence period of Director, top 4 Top Management, and accounting operators, by distributing these in advance and reminder when it's near the due date. Providing director and top management assessment every year. Providing Board Meeting to enhance independence and implementing knowledge and expertise of directors. 	<ul style="list-style-type: none"> Creating economy, generating income, employment in the community, paying taxes to local authorities. Cooperation, inspection and visit for government body, government agencies, and regulators. No complaints or fines from environmental operations.

Stakeholders	Interest/Concerns	Engagement Channels	Corporate's Response	Value Creation
			<ul style="list-style-type: none"> • Management of directors and senior executives in corporate governance, environmental management and change climate, and efficiency of using energy and resources. • Cooperation and supporting activities that promoting government operation and policies. • Providing complaint channel that protect the complainant, and complaints data are sent directly to responsible person only. 	
Vendors / contractors / service provider/ creditors	<ul style="list-style-type: none"> • Being a alliance and doing long term business • Providing regular orders, plan the purchase in advance, do not modify the order plan too much. • Emphasizing on feedback, results, or product trials, both satisfaction, expectation in order to further improvement product quality, paying on time, having a stable financial status. • Conducting business fairly, not disclose business secrets, have a good business ethics. 	<ul style="list-style-type: none"> • Training for vendor and arranging activities to participate regularly. • Communication of selection results and annual vendor assessment • Interview the representatives of vendor, business partners and contractors. • Visit the work of business partners/vendors. • To assess the consulting and capacity building. • To receive the safety in entering the factory with the principles of inspection and approval of the contractor's work permit and having an appropriate certification facility. 	<ul style="list-style-type: none"> • The Company has set up the good corporate governance policy regarding code of conduct with vendor and creditor with fairness, not claiming for benefits and disclose to all vendors for information • To sign on confidentiality agreement for the benefit of joint development • To disclose various operation policies on the Company's website: https://www.adb.co.th/ • To clarify, train, assess risks and hazards together before any performing. 	<ul style="list-style-type: none"> • To have a good relationship with each other, business cooperation in long term. • Joint product development.

Stakeholders	Interest/Concerns	Engagement Channels	Corporate's Response	Value Creation
	<ul style="list-style-type: none"> Informing the rules or other announcement in advance. Providing training on environment and safety prior to any working. Providing advice and support in applying good management to implement to vendors such as environmental management anti-fraud and corruption 	<ul style="list-style-type: none"> Continuous purchasing order or at an appropriate time for the price and cost situation. Inspection and verification of raw materials delivered on fair, correct and standard basis. To demonstrate good risk management 	<ul style="list-style-type: none"> Roles of value chain management 	
Community / Society / Other surrounding establishment.	<ul style="list-style-type: none"> Not causing trouble, nuisance, causing damage to the community, society and environment. Suggestions have been corrected and improved. To provide local employment in community Be a good entrepreneur, to provide a system for eliminating pollution before releasing to the public. To provide safety for life and property. To have discipline delivery, the traffic of the employees who using vehicles safely and not block the traffic. To be a white establishment against drugs. 	<ul style="list-style-type: none"> To survey community needs and opinions through activities such as educational activities, participation activities in local community, etc. Interviews with social and community representatives Annual report and sustainability report. Being a member of Line group for two-way communication with neighbors and surrounding Bangpoo Industrial Estate in various groups such as chemical group, safety group ,general group, electricity group, traffic group, etc. Activities for community and society of industrial estates, municipality or local authorities. Community complaints/ suggestion through Whistle Blowing Complaint Channel 	<ul style="list-style-type: none"> Transparency and good supervision such as tax policy, anti-corruption, ethics of Director, Top Management, and Employees, to assess the risk, to prepare report accurately, on time, etc. To manage the operation of the Company under the environmental standards ISO14001:2015 To check the various working systems in accordance with the safety and environmental laws and other relevant laws by agencies or auditors who are certified by accepted standard. To cooperate in attending meetings, seminars, interviews with external agencies and to provide actual information and useful for joint development. 	<ul style="list-style-type: none"> Community employment Not causing trouble in the community, traffic matters in society, industrial waste, waste water or various pollutants. Community Employment.

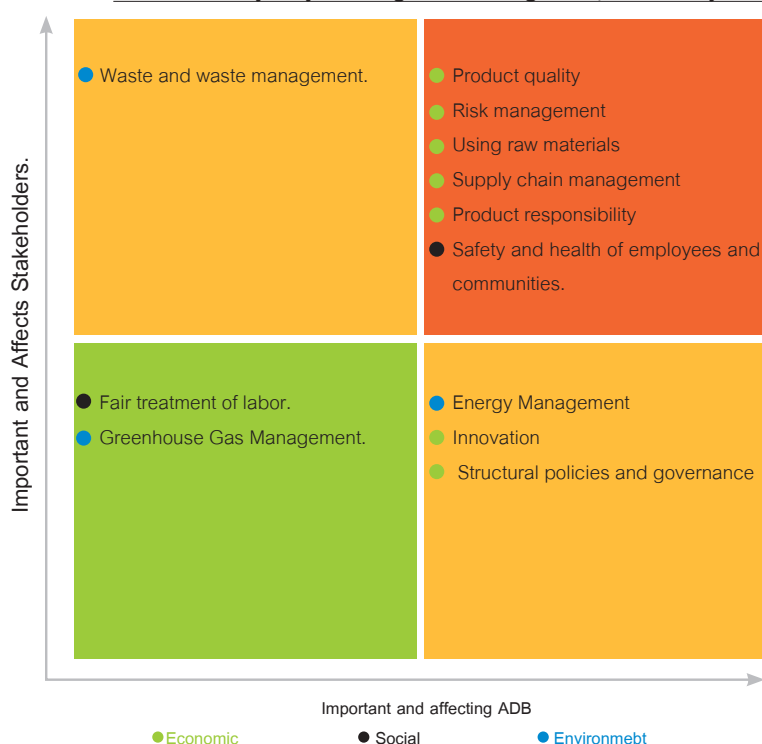
Stakeholders	Interest/Concerns	Engagement Channels	Corporate's Response	Value Creation
Independent organization / organization / international Standard ISO / Association.	<ul style="list-style-type: none"> To cooperate when requested, such as answering questionnaires, surveys, interviews, attending meetings, discussion, providing opinions. To perform in accordance with the requirements of standards or regulations of various organizations. To use information for reference correctly. To provide information for improvement. To provide coordinator or authorized person for continuity in dealing with various departments 	<ul style="list-style-type: none"> To provide information on the operations of the organization through articles, media, exchange forums, exhibitions, academic events, seminars. To organize a public hearing forum To conduct joint research. To open for visit Complaints through Whistle Blowing Complaint Channel 	<ul style="list-style-type: none"> Being a member of the Provincial Chamber of Commerce, a member of Industrial Estate Entrepreneur, to a member of various trade associations in order to send and receive news. To manage various working system according to standards, to improve constantly and to be certified. 	<ul style="list-style-type: none"> To comply with the standard at all times, even without audits. To offer or to provide actual data, reliable and timely.

Participation with Stakeholders.

ADB has emphasized on stakeholders needs first, in order to ensure that the Company has communicated with the stakeholder's group effectively, then developed the participation process that helping the Company to be able to identify and to prioritize the stakeholder group, to design an appropriate participation plan and to monitor the implementation of the various plans. In addition, there are many channels for receiving complaints that enabling stakeholders to contact the Company, to communicate the needs, and to provide information easily and conveniently.



Sustainability key management diagram (Materiality Identification & Assessment) Year 2021



Sustainable Development Issues

Management in 2021 .

The results of ADB 2021's Sustainable Development Issues ranking are divided into 3 levels:

1. Major Risk Issues and important for sustainable development in the future (Key Risk and Capturing future Value).
2. Issues driving sustainable development (Enabler).
3. Issues that form the basis of sustainable business operations (Business Fundamental).

Sustainable Development Issues Management Framework.

ADB has collected and prioritized sustainable development issues related to business operation with reference to the international standard guidelines and using participatory process to prioritize sustainable development issues in order to be able to properly manage sustainable development.

Sustainable Development Issues	Impact Boundary								SDG goals
	Inside the Organization		Outside the Organization						
	ADB	Employee	Shareholder	Partner	Customer	Community/ Social	Government agencies, regulators	Independent organization/ certifying body	
1. Issues that are the main and important risks for future sustainability development.									
1.1 Product Quality	✓	✓			✓				9,11,12,13
1.2 Product Responsibility	✓	✓			✓	✓			9,11,12,13
1.3 Raw material use	✓	✓		✓	✓		✓		9,11,12,13
1.4 Supply Chain Management	✓			✓	✓				
1.5 Innovation	✓		✓	✓	✓				
2. Issues driving sustainable development.									
2.1 Risk Management	✓	✓	✓	✓	✓		✓	✓	
2.2 Health and Safety	✓	✓				✓	✓	✓	3.8
2.3 Energy Management	✓						✓		6,9,12
2.4 Waste management, waste and pollution	✓	✓	✓			✓	✓	✓	6,9,12
2.5 Greenhouse Gas Management	✓						✓		7,9,13,15
3. Issues that are fundamental to sustainable business operations.									
3.1 Fair labor treatment	✓	✓					✓	✓	
3.2 Structure and corporate governance	✓	✓	✓				✓	✓	16

Structure and Corporate Governance

Strategies

1. To set up policies and practices on corporate governance to be consistent and in the same direction throughout the enterprise.
2. To allocate a sufficient and appropriate budget and resources according to the plan.
3. To review corporate policies and guidelines to comply with the business strategies and change according the circumstances at least once a year.
4. To communicate and encourage employees and business partners to be aware and to seriously comply with the policy and practices on corporate governance and code of ethics for vendor
5. To supervise and monitor the implementation of the policies and guidelines with good corporate governance throughout the enterprise.

Compliance with the Good Corporate Governance

The Corporate Governance of the Company in 2021, has continued developing from the previous year. The Board of Directors has implemented the Corporate Governance principles of Securities and Exchange Commission (CG Code) by reviewing and verifying against the roles, duties and work processes, including training to educate in late 2021 to Directors and Top Management, middle management. 90% of them attended the lectures on the CG Code until they understood the benefits and further implemented to create sustainable values very well, including the Company has assessed the performance in accordance to each CG Code in order to ensure that directors, and sub-committees can use the assessment results to formulate the appropriate plans and continually develop.

Announcement of Additional Corporate Governance Policies

In 2021, there was a review and revision on the risk management policy, anti-corruption policy, preparation of the risk management practices, and anti-corruption practices guidelines.

Communication the Code of Conduct

ADB has established the code of conduct for vendor and code of ethics for employees and vendor in order to be the guidelines for all employees, including Directors, Top Management, and Employees at all levels, to understand and apply to the anti-corruption practices correctly and appropriately, by organizing seminars to review the knowledge on policy annually, and disseminating the revised policy and using in orientation the new employees, preparation of a knowledge test on a continuous basis every year. In 2021 was the third year. In addition, this was extended result to vendor by establishing the code of conduct for vendor, and code of ethics for vendor in order for vendor to use as a guideline for conducting business operation together with social and environmental concerns, and solid anti-corruption.

Review and revision of the Charter of Directors and Sub-committees.

In 2021, the charter of various committees has been reviewed in the meeting of Board of Director and sub-committee. It could see that the CG Code 2017 guidelines has been applied and implemented to practice, and also amended the charter of executive committee, and power and duties of the Chief Executives Officer in respect of the authority for appointment and proposing the Top Management

ADB's Corporate Governance Policies and Practices

ADB has announced various corporate governance policies and published on the website: www.adb.co.th.

The Structure and Mechanism for Corporate Governance consists of vision, mission, policy, and organizational structure.

- Policies and guidelines for Directors, and Top Management consist of the Board of Directors' Charter, Audit Committee Charter, Executive Committee Charter, Risk Top Management Charter, Investment Advisory Board Charter, power and duties and responsibility of the Chairman of the Company, power, duties and responsibilities of Chief Executives Officer, these mentioned document mentioned the requirement of independent directors, policy and practices for holding the directorship in in other company by director and chairman of the Company, Chief of Executive, and Top Management

- Organizational management policies and practices comprises of sustainability development policies, good corporate governance policy, Code of ethics and Rules of Conduct policy, anti-corruption policy, risk management policy, policy on the connected transactions, conflict of interest prevention policy, internal information management policy, investment policy, complaint policy, using information technology policy, human rights policy, privacy policy.
- Stakeholders policy and practices consists of stakeholder treatment policy, dividend policy of parent company, subsidiary, supply chain management policy, and code of conduct for vendor



Policies and guidelines for organization management.



Policies and guidelines for Directors and Executives.



Policies and Practices Regarding Stakeholders.

Whistleblowing and complaint channels

Complaint or Whistleblower Process If any inappropriate behavior of personnel in the company is found.

- Found wrongdoing in good corporate governance Code of Conduct or Securities Act.
- Found fraud and corruption offenses.
- Found environmental offenses.
- A substance abuse offense was found.
- Human rights violations were found.
- Found other wrongdoings that affect the operations of the company and to the stakeholders.

**Receive a
whistle
blower**

**Conduct a
fact check**

**Protection
of whistle
blowers**

**Take action
to heal the
impact**

**Communi
cate**

Evaluate

Record all whistleblowers and classify each case.

Receive the matter and consider it by director/top management/internal audit unit and/or risk management committee.

- Keep the information and identity of the informant confidential.
- Disclosure as necessary
- Alleviating damage appropriately and fairly
- A new complaint can be filed if the complaint is not handled.

- Labor law violations will be investigated and resolved within 4 weeks.
- In case of violation of human rights or violation of good corporate governance rules and damage the Company's reputation will expedite the process as soon as possible

- Report to directors or executives according to events.
- Notify the result of the action to the whistleblower (in case of knowing the informant).
- In case the whistleblower does not disclose his name, he will inform via internal bulletin board or the Company's website.

Assessing performance and reviewing performance to prevent inappropriate behavior



Whistle Blowing Policy

Product Responsibility

Waste and pollution problems, climate change, the spreading of COVID-19 virus affecting the concept of health care and environmental protection and additional awareness of society for the sustainability, the Company, therefore, has emphasized on the responsibility for products and services by developing and offering products, services with quality solutions, safe for users, selecting the less hazardous materials, choosing packaging from recycled paper for more than 80%.

Target

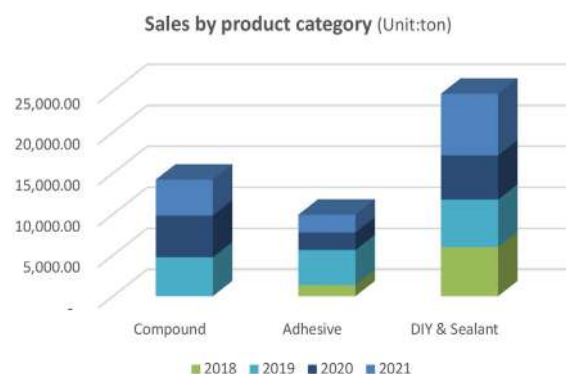
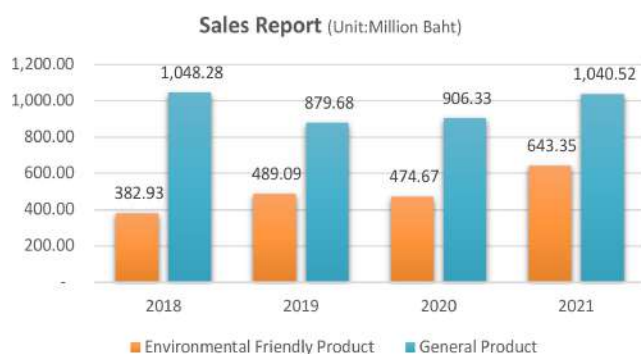
At present, the Company's sales of environmentally friendly products is accounting for 38.21% from the previous year, increase of 35%. The Company aims for environmentally friendly products to grow continuously and to develop products to meet the needs of market and customers by setting up a target to include all products of the Company at a rate that increased from the previous year at least 10%.

Strategy

- o To develop products, services and solutions that meet the needs of customers, to improve the quality of life (Well Being) and to take responsibility for the environment.
- o To develop internal business process and extend results to value chains.
- o To implement innovation to develop products, services and solutions to create new business opportunities.

Performance

From the invention and development of environmentally friendly products of the Company and together with the screening the vendor who have the code of conduct that meet sustainability goals resulting that the Company's final products that will be delivered to customers and to consumers in this year are proportional continually growing in ESG at least 10%. And the performance in 2021 has had a growth rate of 35% from the previous year, with a 75.20% increase in the proportion of adhesive and micro adhesive products that were environmentally friendly. Sealant product has had the growth rate covering all products in the construction group with the rate of 1,455.6 %. Plastic resins products have decreased with the rate of 4.6% and the total sales of all products were shown in the figure below.



Supply Chain Management

Sustainable Supply Chain Management and Procurement Policy

ADB is committed to sustainable supply chain management by establishing guidelines for manufacturers, raw material suppliers, and service provider fairly and equally, including supervising the performance of vendor to prevent risks that may affect the Company's business, society, and environment. The Company has provided a procurement manual that is the same standard, and easy to understand so that the manufacturers, suppliers and service providers, to reply on the selection process, performance assessment and for the purpose of ranking in the risk management.

In addition, these guidelines will help the Company's vendor to maintain business standard in compliance with the law and regulations on human rights, occupational health, safety, labor rights, environmental protection and anti-corruption. In long-term, the Company aims to raise standard in supply chain management by focusing on safe working condition and business ethics.

Code of conduct for vendor

The Company has provided the code of conduct for vendor in writing and first published since February 2020. The code of conduct for vendor is a guideline used to communicate the Company's supply chain management policy in order to inform vendor by communicating to the existing vendor, and new vendor who may be traded in the future and used in the annual review. For the vendor who has have irregular trade, in order to understand and able to comply with the ethics practices to conform wither other operation principles and the Company's' expectation for vendor to implement.

The objectives of implementing vendor's code of conduct in order to know the Company's code of conduct for vendor, including creditor with equally and fairness on the basis of obtaining fair rewards for both parties, avoiding situations that may cause conflicts of interest, as well as complying with commitment, providing truthful information, and accurate report. There are the guidelines as follows:

Code of Conduct	Business operation of the Company
1. Equality and fairness	Open business opportunities for vendor and consideration of vendor selection based on the equality and fairness.
2. Not infringing on intellectual property	Use the products and services that have copyright, patents and trademarks, not support products and services or actions that violate intellectual property.
3. Anti-Corruption	Receiving things or any other benefits must not be for the personal benefits, shall perform as appropriate to the business and not contrary to the law, and shall comply with the anti-corruption guidelines, and vendor's code of conduct, including communicating to vendor to sign on code of ethics which aforementioned documents are published on www.adb.co.th
4. Complying with rules, laws, standard and contracts.	Provide opportunities for vendor who conducted business legally to comply with the system, standard, quality, environment, safety and occupational health and having social responsibility.
5. Enhancing social responsibilities	Jointly develop products to reduce the use of less harmful chemicals or user environmentally friendly raw materials, materials, or inputs, to enhance the social responsibility of vendor and also to provide opportunities for vendor to take part in Company's social activities.

Green Procurement Policy

The Company has set up the procurement policy to conform with the Company's policy, customer requirement in accordance with national law, including rules and important international requirement in the customer's country of residence or designation. The Company has started communicating various policies to vendor, to be informed during meeting the representatives or between executives of both parties in order to introduce the policies and code of conduct by themselves, including measure to support and to strengthen the supply chain during business operation that covering the following areas:

1. Determine the social and environmental issues as important criteria for selection

1.1. New Vendor

The Company has determined social and environmental issues to be part of the selection criteria for every new vendor of every business by communicating from selecting the raw materials for trial, testing and use for assessment the New Supplier Checklist. For audit and selection of vendor, and vendor in Tier 1, must pass an assessment of 90% of all questions for entering the purchasing with the Company.

Sustainable Purchasing Policy



Supplier Code of Conduct



1.2. Current Vendor

During the application of green procurement policy along with the development of vendor development for sustainable operations in the value chain the Company has designed a survey of former and existing vendors, in order to know the status of the vendor's business performance whether it is able to pass the assessment criteria at the specified rate or not. An ongoing survey will be conducted in order to obtain information about vendors in all significant levels in a database and may be re-surveyed as necessary as appropriate by the Self-Assessment method.

2. Human Right and Environment Actions

- 2.1 Conflict Minerals Policy: The Company has had a policy to purchase quality raw materials from reliable sources, There were the survey on the vendors and impelling human rights policy to the relevant partners by trying to reduce or stop purchasing or not accepting raw materials from production sources from the country where human rights violations or international trade sanctions are imposed, especially the four minerals, namely tin (Sn), tantalum (Ta), tungsten (W), and gold (Au), coming from the countries where the human rights are violated in Africa. It will begin communicating this important policy with vendors in 2022 and set up a goal of purchasing 100% from legal labor sources by 2023.
- 2.2 Vendors policy on environment, occupational health, and safety, prohibited substances in specific raw material, the Company has had the quality control of raw materials from specified vendors by requesting product certificates from vendors, including randomly measuring the quality of banned substances (Substance of Concerns : RoHS) 10 types that are classified as hazardous to health and affect the environment and living things in the ecosystem according to the customer requirements. All 10 types are: (Lead (Pb). Mercury (Hg). Cadmium (Cd). exavalent chromium (Cr6+). Polybrominated biphenyls (PBB). Polybrominated diphenyl ether (PBDE). Bis(2-ethylhexyl) phthalate (DEHP). Butyl benzyl phthalate (BBP) .Dibutyl phthalate (DBP) .Di isobutyl phthalate (DIBP).

- 2.3 Policy on the usage of recycled paper made from paper packaging at least 75% of the pulp, the Company has supported on using Recycled Paper in paper packaging from the use of recycled pulp to reduce the use of natural resources, including helping to reduce global warming problems and also to reduce the amount of waste burning that directly affect the ecosystem toward the communicating policy with vendors when purchasing and using of recycled paper made at least 75% pulp that will be used as packaging within the Company.
- 2.4 Prevention and reduction of global warming, the Company has set up a policy to promote and select vendors who carrying out the energy conservation activities to reduce global warming, including promoting energy conservation projects in vendor factories to indirectly reduce CO2, etc.

Supervision and development of vendors towards sustainable business

The Company believes that having a good vendor will make business relationships and the growth of business are advancing rapidly due to the skill and different reaching each type of customer. Increasing opportunities for vendors to be able to offer the best to the customers will provide good result both in terms of being up to date with technology, transparency, also to increase the channel to reduce the cost as well. In 2021 there were the development of important vendors as follows:

Strategy	Operation	Measurement	Year 2021	Target in year 2022
Selection and assessment	Revise the selection and assessment work manual	<ul style="list-style-type: none"> • Able to define the nature of vendors and group them that affect the business. • Able to specify a list of important vendors or products. 	Be able to classify vendors according to the priority into 2 groups: Tier 1 & Tier 2 and the list can be 100% separated by business type.	To assess vendors risk in order to supervise and to develop vendors towards sustainability for the Tier 1 of all type of business till complete 100%.
	Set up social and environmental issues as criteria for selecting new vendors (New Approved Vendor)	<ul style="list-style-type: none"> • The number of existing or existing partners who has passed the green procurement assessment criteria 20% 	A survey of current Tier 1 vendors found out that 11 business partner providing the standard conformed with the green procurement and sustainable management, equivalent to 27.5% of all new vendors	To increase target of current vendors Tier 1 to have corporate governance standard to 40%.
Communication on policy and code of conduct for vendors.		<ul style="list-style-type: none"> • The number of new vendors formed in the year that has passed the green procurement criteria. 	There were the new 15 vendors and only 10.27% of all new vendors have passed the assessment standard.	vendors in Tier 1 shall pass the 90% assessment criteria.
	<ul style="list-style-type: none"> • Transfer policies, targets, main practices for vendors, Directors, Top Management, and all Employees. 	<ul style="list-style-type: none"> • Recognizing and co-signing the vendors code of conduct for vendors. 	3% of acknowledgement rate of Tier 1 of the vendors on the code of conducts.	<ul style="list-style-type: none"> • vendors in Tier 1 shall sign and acknowledge on the code of conduct of the vendors at the rate of 100%. • vendors in Tier 2 shall sign and acknowledge the code of conduct of the vendors at the rate of 50 of the trading partners in the year.
	<ul style="list-style-type: none"> • Communicating code of ethics to vendors. 	<ul style="list-style-type: none"> • Number of vendors who have signed the anti-corruption. 	3% of signing rate of Tier 1 of the vendors on the code of ethics	<ul style="list-style-type: none"> • vendors in Tier 1 shall sign and acknowledge on the code of conduct of the vendors at the rate of 100%. • vendors in Tier 2 shall sign and acknowledge the code of conduct of the vendors at the rate of 30 of the trading partners in the year.

Summary of Key Supply Chain Management

Supply Chain Management	Unit	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Goals for year 2022
Existing vendors who were screened for environment items.	%	n/a	n/a	n/a	n/a	30.21%	Tier 1 100%
Existing vendors who were known and complied with the vendors conduct principles.	%	n/a	n/a	n/a	n/a	27.08%	all levels of importance 100%
Vendors who already signed a agreement against anti-corruption and fraud.	%	n/a	n/a	n/a	n/a	27.08%	Tier 1 100%
New vendors who were screened for environment items.	%	n/a	n/a	n/a	n/a	10.27%	Increase 10%
New vendors who were known and complied with vendors conduct principles.	%	n/a	n/a	n/a	n/a	10.27%	all levels of importance 100%

3.3 Management of Environmental Sustainability

3.3.1 Environmental Policy and Guidelines.

Applied DB Public Company Limited will operate business by maintaining the balance of environment, complying with international environmental laws and regulations or appropriate standards of businesses by focusing on and cooperating with community, private organizations, and the government sectors to take care the environment of the communities where the Company is established by taking care, maintaining and preventing any incident that affect to the environment by focusing on environmental protection activities as follows:

1. To provide waste treatment or waste containment in order not to affect the environment and the community;
2. Where there is an event that affects to environment due to the products / services or the operation of the Company, the Company will promptly correct and take responsibility for the damage fairly.
3. To provide training and inspection system, maintenance of equipment, tools and continual development in order to increase the efficiency in caring for the environment to be safe and confident to the public by collectively maintaining and promoting unity and solidarity among employees, working together, and solving problems as an efficient team with care and to perform any action to maintain safety and good working environment.

In 2020, the Company was selected as a pilot plant of the ECO Factory of the Institute of Water and Environment for Sustainability, the Federation of Thai Industries on “The project applies the principles of mutual benefit between industry and community and the use of friendly environmentally chemicals for industrial development in Thailand towards reducing greenhouse gas emissions and eliminating the use of long-lasting pollutants” , and reviewed of the results of 2021. The result of the project, the Company was able to pass the green factory assessment criteria for 2 factories out of a total of 4 factories in which announced by the Federation of Thai Industries on January 7, 2022 for: factory branch no. 260 which is a PCV resin factory and factory branch no. 252 which is the adhesive and micro adhesive and is the head office. For the other 2 factories that were not certified due to the not good performance of using resource according to the project



Pollution Control Department, Ministry of Natural Resources and Environment has assigned the Office of the Environment Region #13 (Chonburi) and local agencies, Prakasa Subdistrict, Bangpoo Industrial Office to monitor and inspect the Company's on January 18, 2021, to survey the demand for imported plastic scraps from abroad and environmental quality management. The results of inspectors were satisfied with the efficiency of the Company's performance that did not cause any impact on the environment, community and health of nearby communities as the pictures shown below:



Energy Management

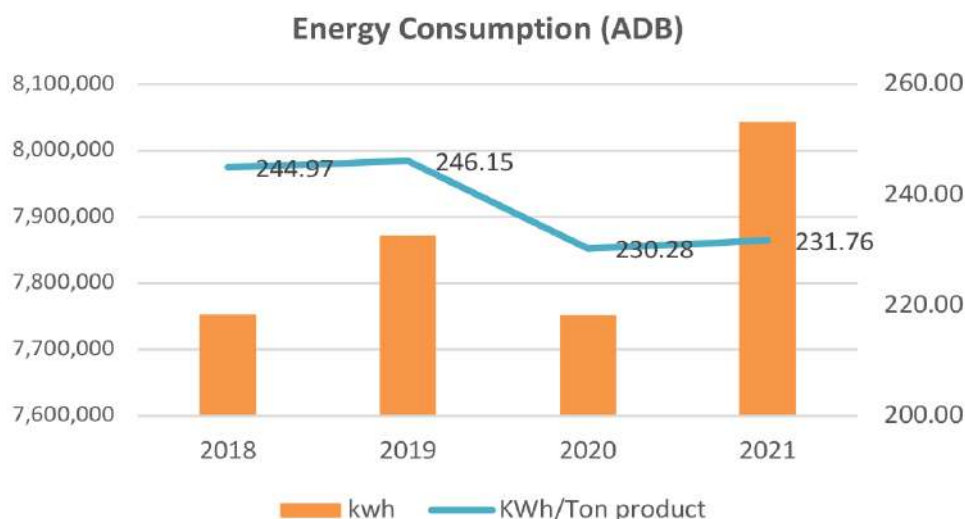
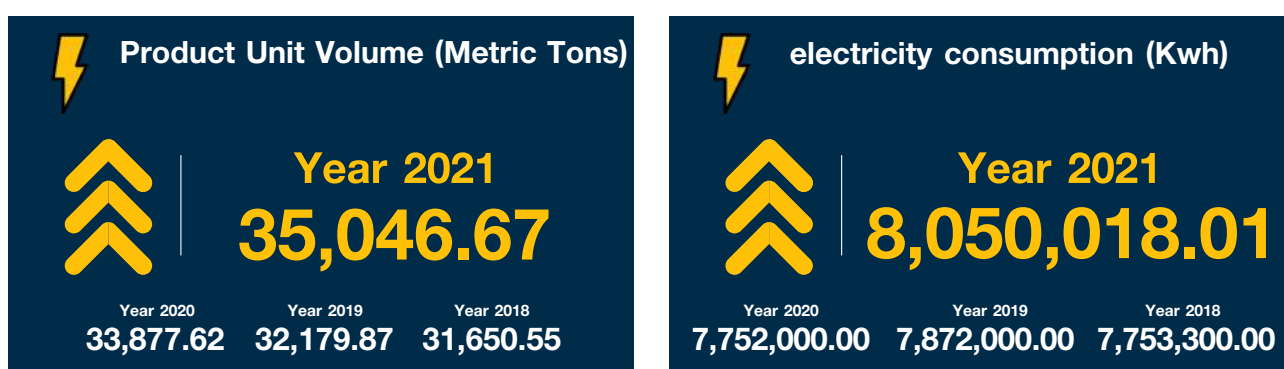
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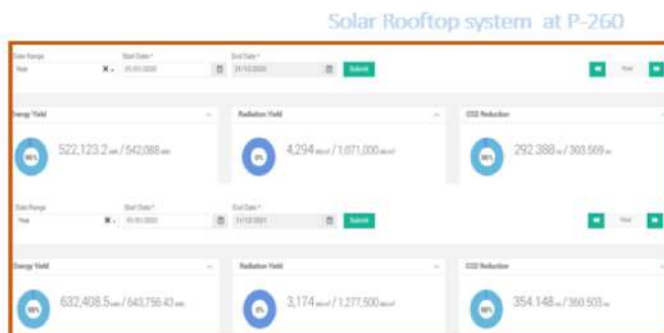
The Company has used electric power as an important source of energy in the production process at the rate of 100%, using diesel has been used only as a fuel for trucks and forklifts. Reporting for energy data and energy management reflected energy efficiency which was the key factors of business operation. In addition, energy management data helped the Company to develop optimize energy efficiency optimization and to reduce energy losses which is the cost in the business operation process.

However, the statistics of electricity consumption during 2018 – 2021 are shown in the table below, also including the total amount of electricity usage throughout the 4 united in kilowatt-hours (kWh), and compare with the production units produced from operation for all products of the Company. The measured value represents the energy value used per product as measured in tonnes of product. In addition, the energy efficiency value per ton of products has been shown to represent good results over the past 4 years as shown in the table and pictures belows:



As for PVC resin factory, factory no. 260 which has invested in installing a Solar Rooftop and has produced clean energy for the 2nd year, with the energy value produced; in 2020 able to generate electricity was equal to 0.52 Gw/h which could save the electricity of the P-260 factory equivalent to 14.75%, reducing cost by 2,002,421.6 Baht, which was a reduction in the total electrical power of the whole Company equivalent to 6.31%. In 2021, able to generate electricity was equal to 0.63 Gw/h which could save the electricity of the P-260 factory equivalent to 18.80%, reducing cost by 2,434,964 Baht, which was a reduction in the total electrical power of the whole Company equivalent to 7.28 %. The Company has continued to conserve energy as listed in the table below:

Electrical usage efficiency (P-260)



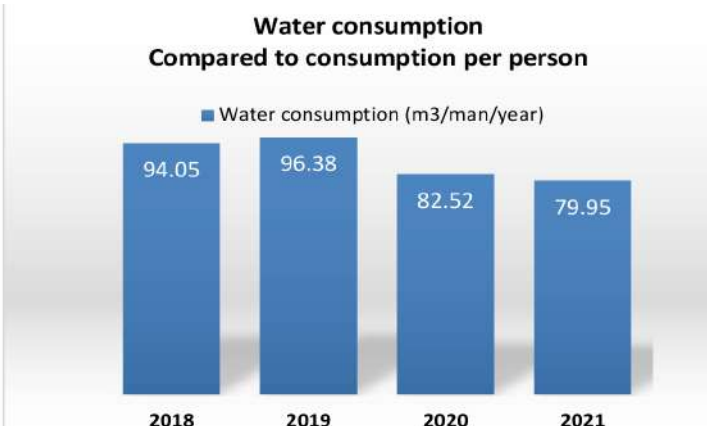
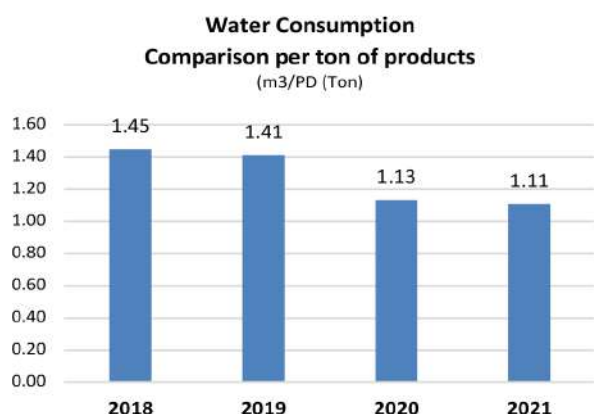
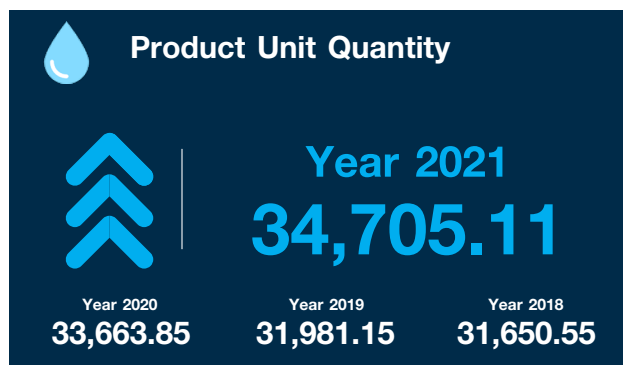
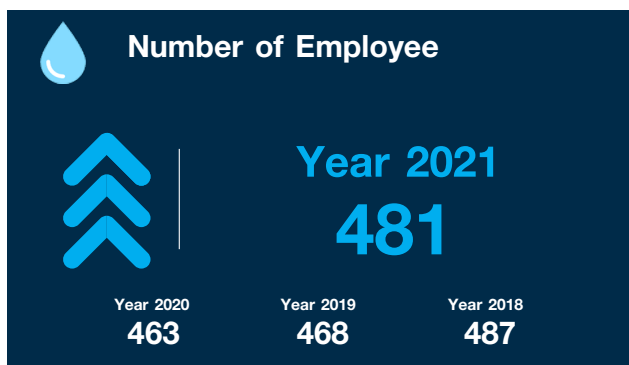
Renewable energy and energy conservation projects	Place of operation	Reduced energy (KWh/Year)	Energy saving results (Baht/Year)	Remark
1. Energy from Solar Rooftop	Plant #260	522,123.2	1,998,113.96	Save 15.51%
2. Energy from Solar Rooftop	Plant #260	632,408.5	2,434,964.76	Save 18.80%
3. Measure of cleaning the split type air conditioner	including the company	121,064.41	509,835.43	Data of year 2020
4. Measure of cleaning the split type air conditioner	including the company	171,446.19	693,693.47	Data of year 2021

Water Management

ADB has set up offices and 3 factories in industrial estate, using tap water from Bang Pu Industrial Estate and another factory has located nearby but outside the water usage of Bang Pu Municipality. All 4 factories had rate of water consumption in the daily consumption of employees that are not related to the production process, including monthly testing of fire extinguishing systems, gardening, and kitchen work, accounting for 80% of the total amount of water usage. Another 20% was used as coolant system for production and laboratories which would be the circulating water system.

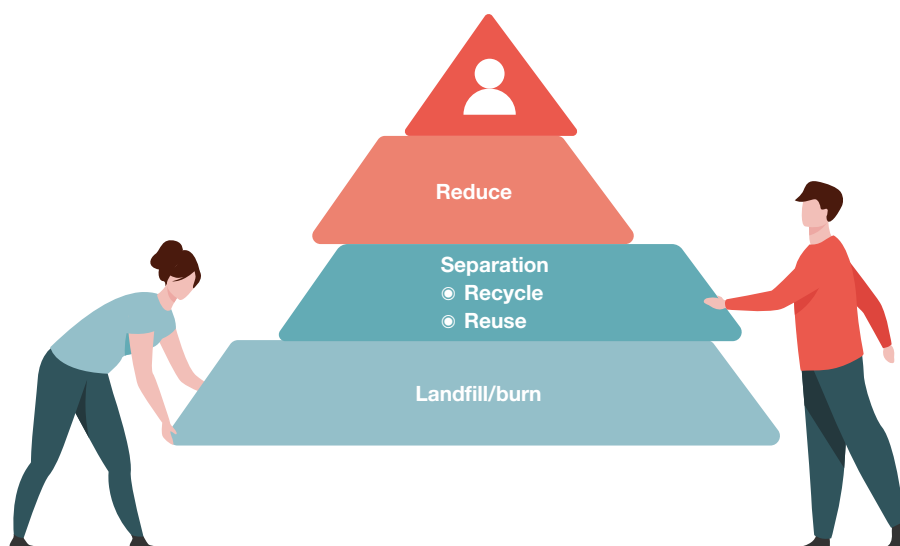
The Company has provided leak check by the owner of the user and inspections from the maintenance personnel according to property maintenance plans regularly and also provided “Good Eyes” reward for employees who found the incident which may cause damage to the property or cause of accident sending to the Human Resources Department. In such notification of various matters, there was a notification to improve the broken pipe, overflowing water quite often, until there was a dismantling of the pipe and also dredging drainage in each branch, especially the branch at no. 260, which had the highest water consumption compared to the rate of usage of employees in other branches. Water usage consumption statistics are presented in 2 dimensions by comparing the rate of water usage per personnel and compared the usage rate per ton of product as shown below:

Plant 260, Resource utilization campaign pictures Explore access points Maintain and campaign for water use To increase the efficiency of water and wastewater management or reduce the use and discharge of wastewater.



Waste, Hazardous Wastes and Pollution Management

ADB has implemented the Waste Hierarchy system priority to reduce the generation of waste from origin in the work activities of each department, to achieve the necessary use (Reduce) according to the Separation of each type of waste, to be managed in the form of Recycle or Reuse over and over again. The rest is therefore taking back to be eliminated. At present, the Company's wastes are able to be identified for Landfill type and incineration by the waste disposal services providers has used the heat energy obtained in other processes. The whole process is a 3Rs model of thinking, effective resource management in accordance with the Company's mission and environmental policies in order to commit to reduce environmental damage and to minimal the resources usage.



Reduce, the Company has established a policy to purchase paper containers by selecting the vendors that has produced from recycled pulp, by setting a target to purchase from sources that made from recycled pulp, more than 80%. The Company has initiated this policy by the year 2019. The micro adhesive product packaging has used paper for Blister Card purchased from the manufacturer with 100% accuracy. But in 2021, supply chain management problems, the manufacturer was unable to supply paper containing recycled pulp as required by the Company. Therefore, the cost of used paper was reduced to 75% of the mix ratio. The situation may be a temporary or permanent, the Company continue seeking suppliers and raw material to deliver the quality according to the stated policy by the Company.

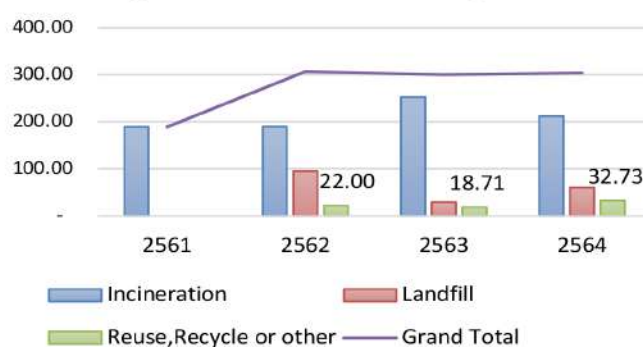
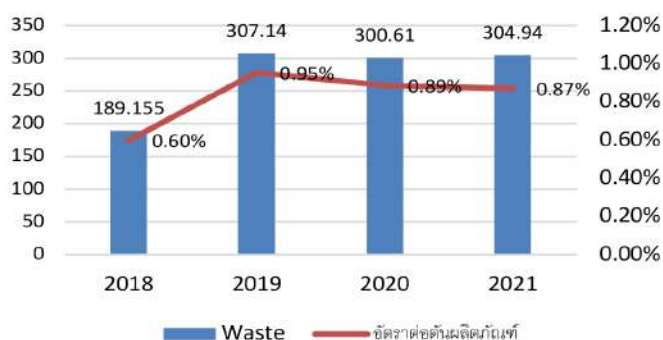
The Company has used Reuse for containers in the form of bin, bucket, boxes, crates, bags, and pallets from raw material procurement recirculated in many departments by controlling for no negative impact on product quality, and finally when the conditions has not been properly utilized, able to reused, then will be sold out as per condition, or sent to destroy if contaminated. In the use of containers of adhesive production group that can use the circulating containers in the production process for bin, bucket for adhesive containers made of steel are continually increasing in cost. It is therefore an important part in helping companies reduce costs and achieve some resource management goals.

Recycle for benefits in the production process, some raw material can also be recycled for utilization in proportion to the production formula determined by research and development plan without any affecting the quality of product again. In addition, bringing in excess from production to produce new products for benefits plastic resin which do not pass the quality standards, able to be sold to scrap buyers for crushing and recycling.

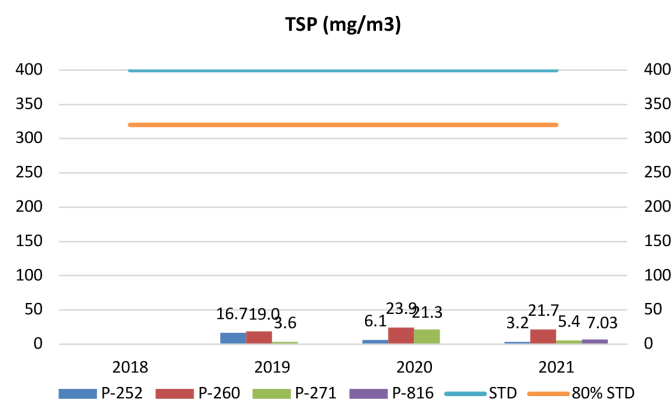
Hazardous Waste Management

The Company has disposed of industrial hazardous waste from working process each year are a large amount of destruction value and the cost of industrial waste is also a high proportion. Beginning of 2020 until present, the Company has launched campaign for employees of using resources wisely, reduction usage at sources, providing the effective management by using “3Rs” principles and providing performance assessment and performance contest. Result in 2021, the amount of waste remained at the same rate at the previous year.

However, from the actual work review, it was found that in 2020 and 2021, the use of rags for cleaning and the use of materials masks to prevent COVID-19 to infection were another factors that increased the number of contaminated waste. Contaminated waste from operations (Routine Waste) has decreased, but contaminated waste other than operating activities (Un-Routine Waste) has increased by 25%.



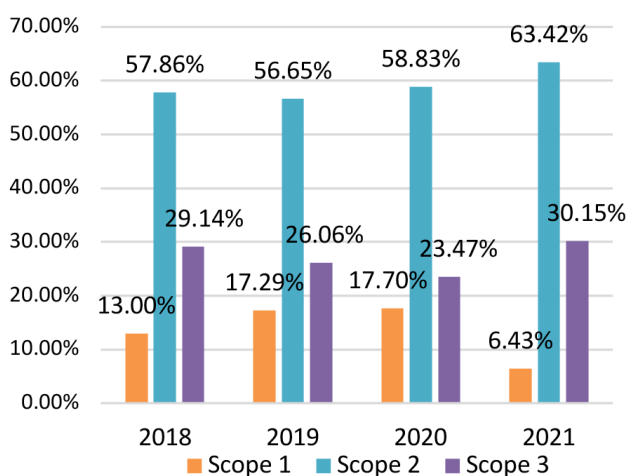
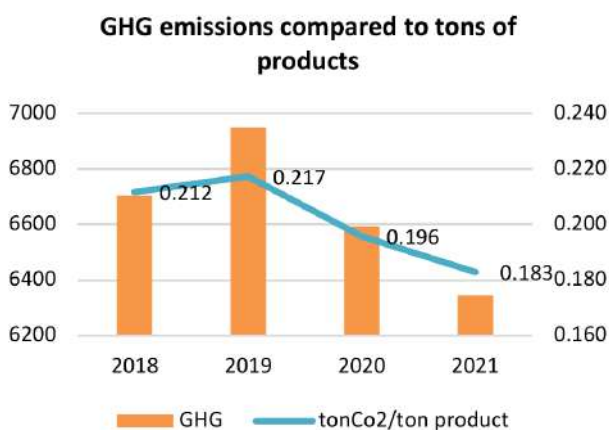
In the production section that releases dust, smoke, heat, odors, and various chemical residues, the Company has had a ventilation system that regularly checked and assessed the condition. However, there is still pollution mixed in the air into the environment. Therefore, pollution management risk is still an issue that Top Management still emphasizes by bringing the production technology to solve all the times by considering improvement and changing air treatment system and modern machinery in order to replace old machine in production. During the past 4 years, some machines have been improved to be automatic and some were still semi-automatic, and each year there will be a certification audit according to various law by external certified auditors annually. From the Company have monitored the environment throughout the work in the previous year, it found out that there was no any complaint or order of Bangpoo Industrial Estate to the Company to improve the work in any way, including setting up the targets for pollution management to achieve better air quality than the standard for 25%, resulting in all branches of factories could achieved the goal of 100%.



Corporate Greenhouse Gas Management

The Company “ did not have information” on the list of greenhouse gas emission by the organization correctly and has been reviewed by agencies or auditors referred to the standards of the Thailand Greenhouse Gas Management Organization (Public Organization) or TGO. During 2020-2021 by the initiative of director and Top Management who foresaw the importance of global turmoil and many countries have focused on and set goals to reduce greenhouse gas emission as a national agenda. In the future, it will affect both opportunities and economically of the Company both in terms of the well-being of employees and most population in the future. Then, there was an assessment of the readiness of the internal database, assessed knowledge and competence of employees and Top Management in related work, including owners of agencies that were the sources of greenhouse gas emissions and the driving force in implementing policies of reduction negatives environmental impacts or managing greenhouse gas emissions using the enterprise to receive training to increase knowledge and to find alliances to perform with government agencies which supporting the various projects. And after working in the ECO factory project, the Company was able to store the data in Scope 1 and Scope 2 with accuracy and reliability of the data at the rate of 90%. For data collection in Scope 3, it still needs to improve the collection and request cooperation from the vendors to obtain accurate information than the present, and plans to have a verification from accredited body within 2022 or at the latest, the results can be reported in the annual report by 2023 and will be announced as an approved and certified greenhouse gas emission reduction policy by the Board of Directors next. So that for the Company to carry out activities and project on reduction the greenhouse gas emission for environmental protection and further sustainable climate. During the past 4 years, emission rate in Scope 1 has declined with additional information attached herewith.

Governance	Strategy	Risk Management	Procedure and Target
<p>In the beginning of 2021, the Board of Directors has recognized the importance of government policies on the greenhouse gas management, then assigned to perform as follows:</p> <ul style="list-style-type: none"> Risk Management Committee under the GHG risk management framework has assessed the priority and impact on stakeholders, to assign the management to formulate a control measure plan and to have it presented and approved by the Board of Directors. To have the Audit Committee to supervise and to monitor the management's operations through the minutes of the Board of Directors meeting quarterly, comments through the invitation to the executives. 	<ul style="list-style-type: none"> To establish units to keep emissions data at the enterprise level. To follow up the announcement policy, regulations of vendors countries, key customers in order to manage the risks appropriately. To have the management to prepare budgets and plans of 2022 for operations to achieve the short-term goals, and long-terms of management of greenhouse gases. 	<ul style="list-style-type: none"> From the assessment of stakeholders, governmental expectations, greenhouse gas emission reduction policies both in Thailand and around the world has pushed to accelerate the need to urgently measure emissions from operations and to set up target to reduce them. Carbon credit will be a barrier to trade in the future. If the adjustment is not made in time, it may lose the opportunity to trade with many leading countries. The Company has analyzed vendors, key customers in each country who have the opportunity or risk to enforce the GHG policy and lead time, and implementation criteria in order to prepare the plan within the Company. 	<ul style="list-style-type: none"> At present, the Company is in the process of improving the database file of working system in order to provide the reliable reports consisting of 3 Scope. To provide the Company's greenhouse gas emission report and to request a review from an accredited agency or certified auditor and to report result in 2023. To be certified by corporate carbon footprint not later than 2024.



3.4 Social Sustainability Management

3.4.1 Social policy and guidelines

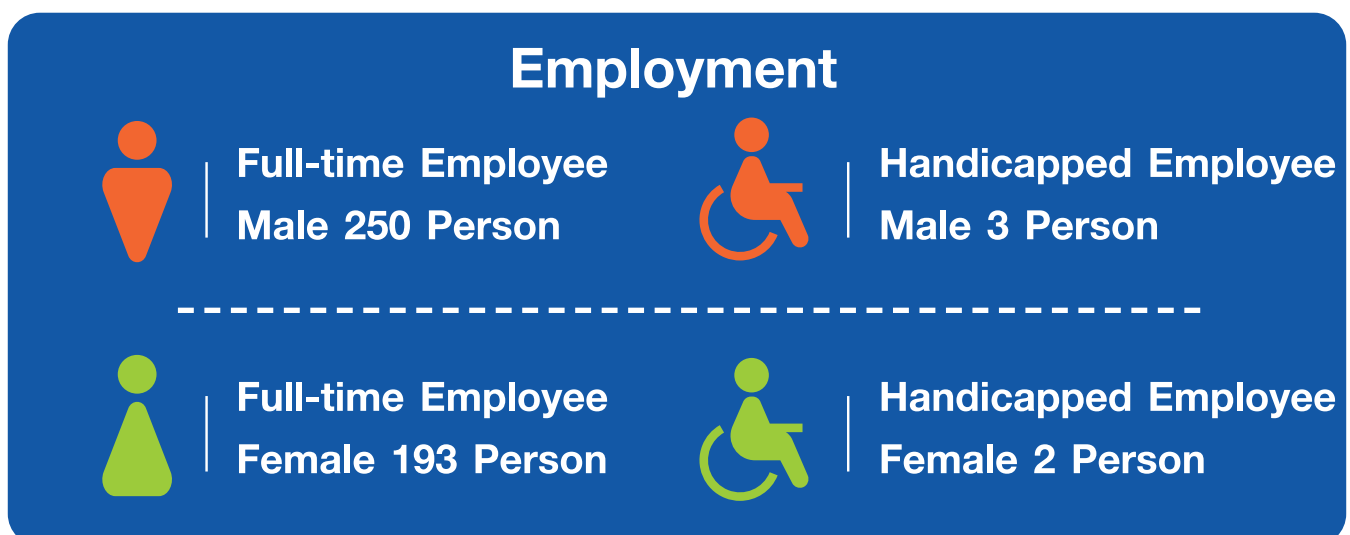
The Company has established a human rights policy. (see details on the Company website: [www. www.adb.co.th/Investor Relations/policies related to investors/human rights policy](http://www.adb.co.th/Investor%20Relations/policies%20related%20to%20investors/human%20rights%20policy)) by adhering and complying with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights: “UNGPs”) by emphasizing labor practices and fair respect for human rights equally and non-discriminatory both in terms of employment, compensation, promotion, training and employee development without any discrimination of gender, age, educational institution, race and religion, as well as, supporting employment for disadvantaged groups, including disabilities, the elderly, to create opportunities, to build career and stable income, and also as part of achieving the Sustainable Development Goals (SDGs) of the country and the world. In addition, in order for all employees and personnel to feel the sense of binding as part of the organization’s family, the Company has set up an average employee engagement score of not less than 70% of all employees.

3.4.2 Social Operating Results

(1) Employees and labor

The Company holds principle of fair and equality treatment to employees in accordance with the law protection. The Company has been performing according to law, ethics, and respect to personal right in order to create stability and peace, including promoting the opportunities for career growth, as well as providing potential development of employees, and also taking care of living standard of employees such as; providing several welfare for employees as required by law, providing good safety and hygiene for working, safety protection measure, encouraging employees to create mind set of safety, including providing training, promotion, transfer, reward, penalty of employees based on fairness and legal requirement and opening opportunities to all employees to comment, to complain to Human Resources Department.

The Company has complied with the principles of human rights from employment to the care of employees and personnel, in order for all employees and personnel feel engagement as the same family as organization. The Company has collected some key information for the purpose of summarizing a report that was useful for efficient human resource management. The following information are as follows:



	Unit	Year 2018		Year 2019		Year 2020		Year 2021	
		Male	Female	Male	Female	Male	Female	Male	Female
Total Number of Employees	Person	303	194	290	185	282	185	283	195
Top Management AVP Up	Person	8	3	10	3	10	4	10	4
Mnagement AM-Senior Mgr.	Person	16	23	13	28	12	23	12	23
Operator - senior Chief	Person	279	168	267	154	260	158	261	168
Number of employees by age		303	194	290	185	282	185	283	195
Less than 30 years	Person	99	66	80	53	83	52	83	62
Between 30-50 years	Person	181	116	183	121	172	120	172	120
More than 50 years	Person	23	12	27	11	27	13	28	13
Employees by workplace		303	194	290	185	282	185	283	195
Operations	Person	266	117	251	112	240	113	240	123
Office	Person	37	77	39	73	42	72	43	72
Employees by religion		303	194	290	185	283	195	283	195
Buddhism	Person	n/a	n/a	n/a	n/a	n/a	n/a	282	192
Christianity	Person	n/a	n/a	n/a	n/a	n/a	n/a	0	0
Islam	Person	n/a	n/a	n/a	n/a	n/a	n/a	1	2
Neutral	Person	n/a	n/a	n/a	n/a	n/a	n/a	0	1
Retention									
Total number of employees leaving the organization	Person			71		45		61	
Corporate leave rate	% per total number of employees			14.88		9.86		12.7	
Voluntary leave rate	% per total number of employees			1		1		1	
Employee Engagement									
Employee satisfaction with the organization	%					69.33		81.66	
Personnel Development									
Total number of training hours	Hrs.					4,213.00		5,653.00	
Average number of total Employees	Hrs./Person/Year					9.02		11.83	
Average number of Top Management	Hrs./Person/Year					27.69		29.21	
Average number of Management	Hrs./Person/Year					18.74		38.68	
average number of Employees	Hrs./Person/Year					7.50		8.72	
Employee Complaints									
Number of Corruption Complaints	Case	0	0	0	0	0	0	0	0
Number of ILabor Complaints	Case	0	0	0	0	0	0	0	0
Labor Union									
The ratio of employees who join labor unions	% per total number of employees	n/a	n/a	n/a	n/a	n/a	n/a	15	

• Employee Training

In 2021, the Company has organized 33 training courses to enhance their skills and potential in working for employees. (including OJT training hours for production employees), with an average number of training hours or knowledge development activities for employees of 11.83 hours/person/year, an increase of 31.11% from 2020 due to an increase in employees learning hours target of 3 hours/person/year.

The training levels were divided into 3 level as follows:

1. **Operational Level** From the staff level - department heads, there were seminars in 2021 both internally and externally with the average of 8.72 hours/person, the proportion was increased by 16.33%.
2. **Middle Management Level** From the level of Assistant Managers – Managers, there were seminars in the year 2021 both internally and externally with the average of 38.68 hours/person, the proportion was increased 106.40% .
3. **Executive Level** From Assistant Vice President – Chief Executive Officer, there were the seminars in 2021 both internally and externally with average of 29.21 hours/person, the proportion was reduced by 5.50%.

Employee Training in 2021

Training Course	Objectives	No. of Trainees		
		Plan	Actual	% Trainees

Sales and Services

1. Products knowledge for sales staff: Part 1-5	1. To provide employees with knowledge about the products offered for sales and able to educate customers on how to use the product. 2. To be able to respond to customer inquiries.	30 persons	30 persons	100%
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Optimization and work skills

2. Using technical tools: Part 1-4	1. To enable technician to know information of equipment/testers 2. In order for technicians to know how to use the equipment/ tester 3. To enable technicians to modify and to adjust specific tool settings.	30 persons	30 persons	100%
3. Using Microsoft Excel	1. To increase additional skills for employees to use Microsoft Excel. 2. To enable employees to create formula and to retrieve command to apply to each form of data. 3. To enable employees to format data sets to suit a variety of tasks.	30 persons	36 persons	120%
4. Techniques for using Zoom Program	1. To make the trainees understand how to use the Video Conference System 2. To enable trainees to understand how to use the ZOOM program	40 persons	46 persons	115%
5. Using Google Data Studio	1. To enable trainees to understand how to manage BI (Business Intelligence) data through the use of Google Data Studio efficiently. 2. To enable trainees to create reports and design Dashboard.	7 persons	7 persons	100%

Training Course	Objectives	No.of Trainees		
		Plan	Actual	% Trainees

Environmental Management

6. Workshop on the preparation of environmental management system.	1. To make employees understand the process of environmental management 2. To be able to communicate and transfer the process of preparing an environmental management system within the organization.	14 persons	14 persons	100%
7. Fundamental of Carbon Footprint.	1. To enable trainees to create knowledge and understanding of the principles and methods of evaluating the carbon footprint of the organization according to the TGO's Carbon Footprint Guidelines of the Organization of Thailand. 2. To enable trainees to calculate the amount of carbon footprint generated by the organization's operating activities.	40 persons	41 persons	102.50%
8. Risk assessment to prevent the severe accidents in the chemical industry and management for industrial plants to prevent flooding.	1. To provide trainees with knowledge, understanding of analyzing and reviewing the operations, to identify hazards, to assess the risks and to prepare a risk management plan. 2. To reduce accidents caused by working in the workplace.	40 persons	65 persons	162.50%

Administration and General Management

9. Leadership coaching program	1. To enable trainees to create self-awareness and acceptance of change. 2. To enable trainees to understand their strengths, the points where one shall develop oneself as a leader and to create a self-sacrificing consciousness.	25 persons	25 persons	100%
10. Leadership and Teamwork Success	1. To enable trainees to create awareness of their own potential and a growing attitude together with organization. 2. To enable the trainees to find their passion and to create a united team. 3. To allow trainees to use a variety of ideas of each person to create the new thing in organizational development.	16 persons	16 persons	100%
11. Professional trainer with the enterprise	1. To enable trainees to create learning course according to their expertise. 2. To enable the trainees to transfer the knowledge and maintain the organization's knowledge.	18 persons	12 persons	66.66%

Training Course	Objectives	No.of Trainees		
		Plan	Actual	% Trainees
12.The arts of communication, assignments, teaching, job control, assignments for supervisor.	To provide the trainees with the communication skills, assignments, and task control that can drive the efficiency and effectiveness of the work to achieve success.	40 persons	40 persons	100%
13.How to adapt to survive in the COVID-19	1. To make the trainees to be aware of the impact and various problems happened to all sectors after the COVID-19 and the importance for the organization to change its business to accommodate the New Normal lifestyle. 2. To enable the trainees to enhance their knowledge and understanding in the Design Thinking process and to plan the corporate's strategy to support the society and economy of the country after the COVID-19 situation.	15 persons	24 persons	160%
14.8D principles for application in problem solving.	1. In order for trainees to gain knowledge, understanding of root causes analysis. 2. To enable the trainees to apply the 8D principles to use in analyzing the cause of problem.	40 persons	38 persons	95%

Motivation and Attitude

15.Good Governance and Ethics toward professional working.	1. To enable the trainees to understand the value of good governance, to have good and attitude for continually self-development and others. 2. To provide the trainees with and understanding of leadership, positioning, the use of science and art in governing people according the good governance. 3. To allow the trainees to see overall pictures in continuous self-development in order to be succeed as stated.	40 persons	47 person	117.50%
16.Good Corporate Governance Principles for Listed Companies 2017 (CG)	1. To enable the trainees to apply to supervise the enterprise for good performance, to create trust for shareholders and people around them. 2. To enable the trainees to implement this to create the sustainable value for the business, to meet the expectations of the business sectors, investors, capital market and society as a whole.	35 persons	37 persons	105.71%
17.Planning for savings for workings age and preparing before retirement	1. To enable the trainee to know and understand the preparation financial planning after retirement. 2. In order for participants to change the concept of how to achieve the sustainability in saving money.	35 persons	50 persons	142.85%

• **Safety, Occupational Health and Working Environment**

The Company realized the importance of the safety and damage in the event of accident, various incidents, due the Company has operating with many chemicals used in the production process, and its stored in the factory. Therefore, the Company emphasized on the risk assessment covering all aspects, including the competency of the personnel, adequate safety protective, the effectiveness of various emergency drills in order to find the appropriate measure to prevent and mitigate in each situation.

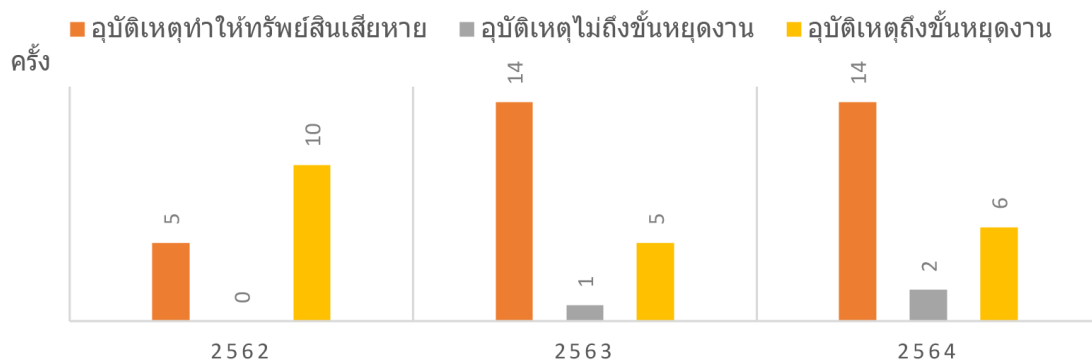
In 2021, the Risk Management Committee has organized the important training on “Risk Assessment to prevent fatal accidents in chemical industry and management for the industrial plants to prevent floods. The key participants consisted of 11 directors, Top Management, middle management, and key operational staff related to crisis prevention and mitigation during crisis to be trained for 2 days training course. The result of this training resulted to provide the a more appropriate review of the risk assessment by using HAZOP covering major manufacturing processes in the manufacturing plant for adhesives and sealants. The “what if” assessment method which was still used in the PVC plastic resin branch plant. In the same time, the Company has continually developed and improved the safety operation to reduce the risk of illness, injury or death, and taking care quality of life of staffs or employees as appropriate. Throughout the Company’s operations, there were zero accident from work which leading to fatal and disability. There were the lost time injuries for 6 times more than the previous year and when compared to working hours, it was considered worse than the previous year due to the accidents counted in the production process 6 occurred outside the production process 0 times and there was the average lost time for 9 days. Therefore, the Company has had the measures to prevent such accident as;

1. Training, Morning Talk. Review the procedures in detail by the supervisor.
2. Training courses on safety and occupational health at work by the relevant departments.
3. Establish regulations for wearing protective equipment (PPE) and continuous monitoring.
4. Bug fixes improvements to ensure safety.

Safety and Occupational Health	Unit	Year 2018	Year 2019	Year 2020	Year 2021
1. Total hours of work.	Hrs.	1,627,200	1,839,600	1,810,800	1,261,286
Work Injuries					
1. Employee Death Rate.	Case per <u>two hundred</u> thousand hours worked	0	0	0	0
2. <u>Contractor</u> Occupational Death Rate.	Case per <u>two hundred</u> thousand hours worked	0	0	0	0
3. Employee Injury rate (Total Recordable Injuries Rate : TRIR1)	Case per <u>two hundred</u> thousand hours worked	0.61	1.09	0.55	1.27
4. Contractor's work Injury (Total Recordable Injuries Rate : TRIR2)	Case per <u>two hundred</u> thousand hours worked	0	0	0	0
5. <u>Employee</u> Lost Time Injury Rate (LTIFR)	Case per <u>two hundred</u> thousand hours worked	0.4	0.75	0.4	0.95
6. An accident that almost caused an accident (Near Miss) of an <u>Employee</u>	Case	0	0	0	0
7. he accident that almost happened (Near Miss) of the <u>Contractor</u> .	Case	0	0	0	0

Safety and Occupational Health	Unit	Year 2018	Year 2019	Year 2020	Year 2021
Illness from work-related disease					
1. Death from work-related diseases of employees.	Case	0	0	0	0
2. Employee Occupational Illness (OIFR).	In the case of one hundred thousand working hours.	0	0	0	0

STATISTICS OF ACCIDENTS FROM WORK IN 2019-2021



• Employee Engagement.

In 2021, the Company had employees voluntarily resigned (Turn over rate) at 12.70%, increasing of 2.84% from the previous year due to the COVID -19 epidemic situation. Employees had health problems and would like to return to other provinces for taking care of their parents. The Company has had measure to take care of employees for prevention of infection from COVID-19 by procuring vaccines for 1st and 2nd doses to take care of employees and their families, as well as adjusting better working environment by adding green areas within the Company. As a result, the employees engagement assessment to the enterprise in 2021 was at 81.66%, an increase of 12.33% compared to the previous year of the goal of more than 70% of total employees.

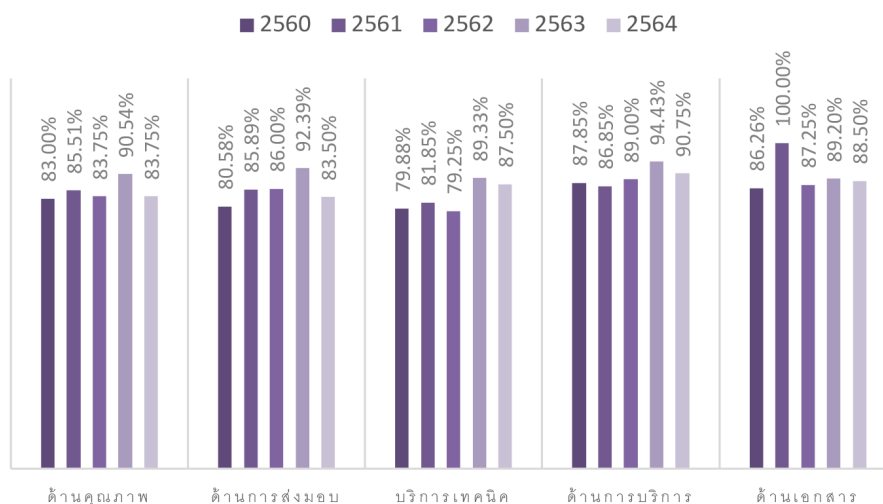
Survey results of personnel opinions on various aspects of work	Satisfaction Rate		Change
	Year 2020	Year 2021	
1. Safety and working environment	69	82	13%
2. Responsibility for working	79	87	8%
3. Leadership and corporate culture	72	86	14%
4. Compensation and welfare of the enterprise	58	71	13%
5. Opportunities and advancement in the organization	64	71	7%
6. Rules and regulations of the organization	74	90	16%
Average of Satisfaction	69.33	81.16	11.83%

(2) Customers

In the year 2021, the Company has entered into the co-production contract with more customers who owned the leading Thai and International brands. With reputation, the recognized competence of the enterprise, and receiving standard and certifications, including the situation of the COVID-19 epidemic were another important factors that many parties have been trying to find new stability. Therefore, the Company has been given the opportunities to produce more products for new customers. And in the year, the Company has raised the level of work with responsibility, honesty and ethics, and providing assistance to customers in crisis situations

The results of satisfaction survey for year 2021 in terms of transportation have decreased according to the situation, especially the satisfaction score of foreign customers has dropped considerably below the target value from the previous year that having received a full score of 100%. Survey result in year of COVID-19 reduced to 61.90% and has been fixed throughout by the sales department has contacted, followed up the customers' orders so that the demands were planned in advance for more time than normal events, and received complaints from the customers on important issues for 53 cases, including product quality problems that affect the use of customers and the inappropriateness of the product in the use of the customer.

Supply Chain Management	Unit	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Goals for year 2022
Customer Satisfaction Index	%	83.51%	88.02%	85.05%	91.18%	86.80%	85%
Number of social and environmental complaints from customers	Case	0	0	0	0	0	0 (Zero)
Number of customer data leak complaints	Case	0	0	0	0	0	0 (Zero)



The Company is aware to be part of community by setting policy of promotion of social responsibility with aiming to develop business sustainably, together with environmental care and community safety. In 2021, There was no any complaints from community on the social and environmental issues. Moreover, The Company has performed in order to be responsible to society as follows:

1. Enhancing for recruiting employees from the community
2. Participating in community activities
3. Providing support and financial assistance to schools and underprivileged children in the community, as well as rural areas in the provinces such as Thung Hien Temple in Chonburi Province, Nong Nam Khao Charoen Rat School in Chachoengsao Province.
4. Responsibility for internal employees. the Company has provided scholarships for children of good students, nursing room welfare, annual health check, and other welfares as required by law.

In addition, the Company has focused on business operations while paying attention the participation and building the good relationships between the Company, communities and society. During the past period, the Company has organized various projects and activities to contribute to the environment and social development every year, with the objectives of ensuring all employees to have a conscience towards social development. The details are as follows:

1. Support and development activities within the organization

- The Company has been affected by COVID-19 and alleviated the burden of medical personnel in preparing the Coronavirus (COVID-19) vaccine. The Chief Executive Officer (CEO) has foreseen the safety of the Board of Directors, Top Management, Employees and family of the employees of more than 600 persons by providing Sinopharm brand vaccine against the Coronavirus (COVID-19) and donating 10% to the Royal College for the underprivileged and the handicapped. The first injection started on July 3, 2021, the second injection started on July 31, 2021, totaling approximately 1,017,522 baht (including 10% donation value), and had policy to procure vaccine against the Coronavirus (COVID-19) for the third dose to employees by booking the Moderna vaccine through the Royal College of Chulabhorn with a total value of 231,990 baht (including 10% donation value) which is expected to be received around March 2022. The total value of the vaccine is 1,249,512 baht. However, the Company has publicized and provided a place for the third dose of Coronavirus (COVID-19) vaccination for employees who want to vaccinate before March 2022. Some 40% of total employees received the third dose of vaccination from government agencies December 2021. The remaining are awaiting vaccination by Moderna in March 2022.



- The Company has prepared Spray Alcohol with brochure to prevent infection with the Coronavirus (COVID-19) to all employees, for use in cleaning spraying to prevent infection with the Coronavirus (COVID-19)



- The Company has provided ATK examination by professional nurses for Top Management and Employees. The employees who has been communicating with outsiders will be randomly inspected about 2 weeks at a time, and 100% will be inspected for Top Management and Employees during long holidays of various festivals.

- The Company has organized a Happy Birthday roaming activity, giving birthday presents to employees born in each month, in order to build the friendship and seeing the value in a small corner of the employees, enhancing the employees to have more relationships with the organization with a budget of approx. 30,000 baht.



- The Company cares about the health of its employees and wanted the employees to be healthy, free from disease from obesity. Therefore, the Company has organized activities to reduce belly, reduce disease for 2 months duration, starting from November 15, 2021 – January 15, 2022 with a budget for the project about 15,000 baht.

- The Company has given scholarships for the year 2021 to children of employees with good grade; cumulative GPA of 3.50 up for 53 scholarships, total value of 100,000 baht in elementary school – bachelor's degree as the welfare of the Company's employees, its purpose was to promote educational opportunities for employee's families which will enhance the employee's well-being in the future and create the good relationships between employees and the Company.





2. Activities beneficial to environment and society

- On May 29, 2021 The Company donated unused cardboard boxes to be recycled in order to produce paper field bed to the general field hospitals.



- On September 8, 2021 Miss Pornpiwan Niramoncherdchay, Managing Director and Mr. Wei Kai Wang, Director and Vice President of Plastic Compound Products Department as representative of the Board of Directors; Applied DB Public Company Limited delivered 10 liters oxygen concentrator to Samut Prakan Hospital in order to be used in the treatment of COVID-19 patients for 9 units. Applied DB Public Company Limited has allocated a budget for the CSR project and contributions from the Directors, totaling 520,000 Baht, to purchase oxygen concentrators that were the necessary medical device to help the COVID-19 patients to receive adequate amounts of oxygen, and also provided hygiene masks for the medical team, nurses and front-line personnel. The Company has delivered 9 oxygen concentrators to Samut Prakan Hospital, and delivered 9 sets to Thammasat Chalermprakiet Hospital on October 21, 2021.



- On October 28, 2021, the Company participated in blood donation activities with Thai Red Cross Society at Sawangkanivas Rehabilitation Medicine Center, Samut Prakan Province, to help the blood shortage crisis due to the COVID-19 outbreak.



- In 2021, the Company has supported the Social Enterprise in the SET Social Impact Gym 2021 under the concept of SE Empowerment Program, which was a project to develop business potential to businessmen for society (Social Enterprise), by having the Company's management participated as a volunteer coach for the World Share Foundation (Ban Suan Sabaijai Community Enterprise), which was a rehabilitation center for psychiatric patients (Ban Suan Sai Yai-Kon Kaew) has carried out assistance, development and rehabilitation of psychiatric patients to live in harmony with society by using the principles of rehabilitation of patients with new agricultural practices Khok Nong Na Model on an area of 49 rais by allowing patients to be part of the vegetable gardening. The Company has provided the consultation, opinion, suggestion on business plan, comprising of types of agricultural products that are expected to be planted with rapid yields, and income generated, sourcing the agricultural supplier, helping for planning the important planting zoning. The most important was advice for income accounting, costing, expenditures, resulting to the World Share Foundation (Ban Suan Sabaijai Community Enterprise), able to bring the advice to plan and apply to the actual work, then further implement to next level to create sustainability in business operation, and to adjust the model or business operation to be more efficient.

- In 2021, the management of Applied DB Public Company Limited participated in the SET SE102 workshop training which was a project organized to develop the potential of social business in terms of online formation during July 14 – September 2, 2021. During the period of 2 months, ADB management provided opinion, suggestion both for attitude and ideas, perspective, skilled in being a good entrepreneur to the project participants who are entrepreneurs who have performed the business for the society in various dimensions, totaling 27 organizations (54 persons), comprising of one educational person, 19 environmental persons, 4 agricultural persons, 6 community persons, 3 health persons and 4 persons from the sensitive sectors. As a result, the trainees could bring this further to create sustainability in business operation, to adjust the model or business operation to be more efficient.

4. Management Discussion and Analysis (MD&A)

Management Discussion and Analysis for the year Ended December 31, 2021

Applied DB Public Company Limited (the “Company”) is one of the leading manufacturers and distributors of plastic compound, industrial adhesive, and sealant products to our main customers located in Thailand and overseas. The main customers are from the industrial sectors, located in ASEAN, Middle East, Africa, Europe and South America that use our products in their production process. Besides, the Company also manufactures and sells the products under the Company's brands and also under customers' brands. Our revenue depends highly on an industrial growth leading by each industrial sector that uses the Company's products in the production process such as wire and cable industry, real estate and construction industry, shoes and leathers industry. In addition, the demand of products also leads by the economic condition, private sector investments and government bidding projects. In 2021, the Company is classified the products into 3 Business segments 1) Plastic compound segment, 2) Adhesive segment and 3) Sealant & DIY segment. For Compound products (Segment 1), we reclassify the compound products into 3 groups; 1.1) Wire and Cable PVC (Plastic compound used in wire and cable industry); 1.2) General Grade PVC (Plastic compound used in general applications, Rigid PVC, and Polypropylene Split Yarn (PPY) and 1.3) Medical Grade PVC). For Adhesive (Segment 2); most of the products are supplies to customers in shoe and leather and furniture business. For Sealant and DIY Business (Segment 3), the products are categorized into 3 product groups 3.1) Silicone products sold in both cartridges and industrial use, 3.2) DIY Products 3.3) Related products.

Performance Analysis

Table 1 : Statement of Financial Position as at 31 December 2020 and 2021

	FY 2020		FY 2021		Changes +,-	
	MB	%	MB	%	MB	%
Revenue from Sales	1,369.21	99.19	1,678.00	98.70	308.79	22.55
Cost of Sales	1,101.75	79.81	1,403.51	82.56	301.76	27.39
Gross Profit	267.46	19.38	274.49	16.15	7.03	2.63
Other Income	7.68	0.56	11.82	0.70	4.14	53.91
Net Foreign Exchange Gain	3.53	0.26	10.23	0.60	6.70	189.80
Profit Before Expenses	278.67	20.19	296.54	17.44	17.87	6.41
Distribution Costs	69.98	5.07	82.45	4.85	12.47	17.82
Administrative Expenses	112.52	8.15	111.34	6.55	1.18	1.05
Total SG&A	182.50	13.22	193.79	11.40	11.29	6.19
Earnings before interest and tax	96.17	6.97	102.75	6.04	6.58	6.84
Financial Costs	10.42	0.75	7.39	0.43	3.03	29.08
Earnings before interest and tax	85.75	6.21	95.36	5.61	9.61	11.21
Financial Costs	16.09	1.17	19.67	1.16	3.58	22.25
Net Income	69.66	5.05	75.68	4.45	6.02	8.64
Other Comprehensive Income	0.25	0.02	2.50	0.15	2.25	900.00
Total Comprehensive Income for the period	69.91	5.06	78.19	4.60	8.28	11.84

*% is the proportion to the total revenue

Sales Revenue

For the year ended December 31, 2020 and 2021, our total revenue was THB 1,380.42 million and THB 1,700.05 million, respectively. From those amounts, revenue from sales was accounted of THB 1,369.21 million and THB 1,678.00 million, respectively, which represented the increase of THB +308.79 million, or +22.55%. The rising revenue was mainly attributed to the solid performance of revenue from Medical Grade PVC that went up for THB +84.22 million, or +75.98% compared to the same period of last year led by the rising demand of medical compound products to be used for medical applications such as blood infusion tube, bleeding bag sold to our partner, Showa Global (Thailand) Co., Ltd. as the demand of medical compound also provided the solid growth with less impact from the COVID-19 pandemic. In addition, the revenue of Wire & Cable PVC went up for +THB 54.57 million or +10.09% compared to the same period of last year. The Company main targets are large wire and cable manufacturers, which supply the products to both government projects and industry group in Real Estate and Construction segment. For General Grade PVC, it provided solid additional growth of THB +24.22 million, or went up of +14.34% from its revenue last year. The soaring revenue of Plastic Compound generated from those 3 segments led to the overall growth of revenue in Compound segment for over +THB 163.01million or +19.86% of total Compound Business revenue in 2021. For our Sealant & DIY Business, the Company also reported solid revenue growth for THB +128.18 million from last year, or +35.88% especially the revenue generated from Sealant for commercial use that has been manufactured from our in-house factory.

The major revenue in Sealant & DIY business was mainly driven by the growth of our Sealant products sold as cartridges and for commercial use for over THB +89.18 million from last year, or +46.28% of its last year revenue. Furthermore, the revenue of DIY products mostly generated from oversea customers also provided additional growth of THB 35.53 million. Besides our solid growth from Compound and Sealant segments, our sales of adhesive products also slightly increased for THB +17.60 million, or +9.20% of total Adhesive revenue. When we combined our revenue from 3 Business Segments, the revenue of Compound Business, Adhesive Business and Sealant Business was THB 983.63 million, THB 208.92 million and THB 485.46 million, or 59% : 12% : 29%, respectively, compared to the revenue of the FY 2020 was at 60% : 14% : 26%.

Table 2 : Revenue breakdown by Business – for the year ending December 31

Revenue of Business	For the year ended					
	Jan-Dec 2020		Jan-Dec 2021		Increase (Decrease)	
	MB	%	MB	%	MB	%
Wire and Cable PVC	540.85	39.50	595.42	35.48	54.57	10.09
General Grade PVC	168.91	12.34	193.13	11.51	24.22	14.34
Medical Grade PVC	110.85	8.10	195.07	11.63	84.22	75.98
Total Plastic Compound Business	820.61	59.94	983.62	58.62	163.01	19.86
Adhesive	191.32	13.97	208.92	12.45	17.60	9.20
Total Adhesive Business	191.32	13.97	208.92	12.45	17.60	9.20
Silicone	192.71	14.07	281.89	16.80	89.18	46.28
DIY	142.56	10.41	178.09	10.61	35.53	24.92
Related Products	22.01	1.61	25.48	1.52	3.47	15.77
Total Silicone & Sealant Business	357.28	26.09	485.46	28.93	128.18	35.88
Total Revenue	1,369.21	100.00	1,678.00	100.00	308.79	22.55

In terms of main customer types by industry, approximately 69.81% of the revenue of the Company were classified under Real Estate and construction including Plastic compound, Sealant products. For the Plastic Compound group, the Company main targets are large wire and cable manufacturers who supply the products to both government projects and industry group in Real Estate and Construction segment. Furthermore, our Medical Grade PVC also contributed significant growth in 2021. For the sealant products, the main target group was the private sector in construction segment, while 9.44% of sales derived from Shoes and Leathers Industry selling under adhesive products. The demand of adhesive materials to be used in this segment has rebounded from last year as we have been focusing on the overseas markets especially in Nigeria in Africa, Bangladesh and Pakistan in South Asia, and other countries such as Vietnam, Myanmar, Cambodia, Nepal and Singapore; all of those areas were our target overseas markets for Adhesive products. For automotive segment, it was accounted for 9.84% of total revenue, of which, most of the products were small package products for household use (DIY). The product applications were widely used in the decoration, repairment and parts and accessories of Automotive assembling industry. The rest of 10.91% was attributed to other industries.

Table 3 : Revenue by Industry – for the year ended December 31

Revenue by Industry	For the year ended					
	FY 2019		FY 2020		FY 2021	
	MB	%	MB	%	MB	%
Real Estate and Construction	893.78	65.56	986.11	72.01	1,171.43	69.81
Shoes and Leathers	177.82	13.04	130.91	9.56	158.48	9.44
Automotive	146.12	10.72	143.81	10.50	165.09	9.84
Others	145.66	10.68	108.52	7.93	183.00	10.91
Total Revenue	1,363.38	100.00	1,369.35	100.00	1,678.00	100.00

In terms of revenue breakdown by geography, in 2021, revenue from local customers was THB 1,237.03 million from the total revenue of THB 1,678 million, or accounted for 73.72% of total revenue, or increased from 2020, of which, revenue from local customers was THB 1,044.15 out of the total revenue of THB 1,369.22, or accounted for 76.26% of total revenue. The increase of local revenue for THB 192.88 million or +18.47% was mainly attributed to the increase in Compound products sold to wire and cable companies as the mega projects investment in the infrastructure and electrical supplies, as well as medical graded PVC sold to local channel that has been operating full 3 production lines. The demand of these product categories has less impact during the COVID-19 pandemic. While, the overseas customers also provided the solid growth in all major markets Nigeria, Kenya, Bangladesh, Vietnam, Myanmar and the Philippines (our top 5 revenue from overseas markets). These export segments were attributed to the higher product pricing in accordance with the rising chemical material costs effected on all major products. In addition, as Baht depreciation compared to US Dollar during 2021, our revenue from overseas segments increased with better product margins as well.

Table 4 : Revenue by Geographical segments

Geographical Segments	FY 2019		FY 2020		FY 2021	
	MB	%	MB	%	MB	%
Thailand	974.54	71.48	1,044.15	76.26	1,237.03	73.72
Nigeria	65.73	4.82	49.61	3.62	61.19	3.65
Kenya	58.83	4.32	46.46	3.39	49.03	2.92
Singapore	23.20	1.7	16.03	1.17	27.66	1.65
Philippines	18.56	1.36	19.06	1.39	29.15	1.74
Bangladesh	25.77	1.89	30.43	2.22	47.05	2.80
Myanmar	42.60	3.12	30.81	2.25	37.55	2.24
Vietnam	44.51	3.26	32.54	2.38	37.67	2.24
Other	109.64	8.04	100.13	7.31	151.66	9.04
Total	1,363.38	100.00	1,369.22	100.00	1,677.99	100.00

Cost of Sales and Gross Profit

For the year ended December 31, 2020 and 2021, cost of sales increased from THB 1,101.75 million to THB 1,403.51 million, respectively. The cost of sales consists of cost of Plastic Compound Business for THB 677.62 million and the cost of Adhesive Business THB 150.79 and Sealant Business for THB 273.33 million in 2020; and cost of Plastic Compound Business for THB 838.06 million and costs of Adhesive Business THB 169.35 million and Sealant Business for THB 396.11 million in 2021. Compared to the profit margin between 2020 and 2021, the company reported slightly declining gross profit from 17.42%, 21.18% and 23.50% in 2020 to 14.80%, 18.94% and 18.40% to 2021 from all of Business segments, respectively. The following table indicates the breakdown of cost of sales by business segment.

Table 5 : Cost of sales and Gross Profit

Cost of sales and Gross Profit	FY 2020	FY 2021
	MB	MB
Cost of Sales : Plastic Compound Business	677.62	838.06
Cost of Sales : Adhesive	150.79	169.35
Cost of Sales : Sealant & DIY Business	273.33	396.11
Total Cost of Sales	1,101.75	1,403.51
Gross Profit : Plastic Compound Business	142.99	145.57
Gross Profit : Adhesive	40.53	39.57
Gross Profit : Sealant & DIY Business	83.94	89.35
Gross Profit	267.46	274.48
Gross Profit Margin : Plastic Compound	17.42%	14.80%
Gross Profit Margin : Adhesive	21.18%	18.94%
Gross Profit Margin : Sealant & DIY Business	23.50%	18.40%
Gross Profit Margin	19.53%	16.36%

Overall performance, gross margin of plastic compound business decreased in 2021 since the rising major material costs used for production, including PVC Resin and Plasticizers to be used as additive solutions went up due to the increasing demand of global chemical materials around the world while the global oil price has also impacted to the plastics manufacturers during 2021 as it is by products of petroleum. Those rising chemical materials led to the impact of last year overall margin of Plastic Compound segments. For Adhesive products, gross margin also decreased as the rising material costs including Synthetic Rubber, Toluene and other solvent materials using for industrial adhesive production was direct effect to the overall decrease in Gross Margin in Adhesive segment. In Sealant and DIY Business, the margin also fell down slightly compared to last year as the shortage material supply in China from their energy crisis has been impact to the soaring material costs of Silicone and Silicone compound materials.

Selling & Administrative Expenses

Total selling and administrative expenses in 2021 increased for THB +11.29 million, or the increase of +13.43% from 2020. The rising in selling and administrative costs was mainly due to the following reasons;

Table 6 : Selling & Administrative Expenses

Selling & Administrative Expenses	Jan-Dec 2020		Jan-Dec 2021		Increase (decrease)	
	MB	%	MB	%	MB	%
Selling Expenses	69.98	38.35	82.45	42.55	12.47	11.60
Administrative Expenses	112.52	61.65	111.34	57.45	(1.18)	1.83
Selling & Administrative Expenses	182.50	100.00	193.79	100.00	11.29	13.43

Selling Expenses

Total selling expenses increased for THB +12.47 million or +11.60% from THB 69.98 million of 2020 to THB 82.45 million in 2021. The increase of selling expenses was primarily due to higher sales revenue from domestic customers leading the higher transportation expenses associated with the increase in sales volume. For export section, container shortage, capacity constraints were impact on the global marine shipments around the world, and this impact led to the uprising export expenses during the year.

Administrative Expenses

Total administrative expenses for 2021 decreased to THB 111.34 million from THB 112.52 million, or went down for THB (1.18) million, or (1.83%) of last year's expenses. During 2021, the Company has less allowance for expected credit loss for THB (5.47) million since some long-term overdue payments have been back to within normal credit period with all customers do not have significant impact on COVID-19 pandemic on the payment issues. However, some of administrative expenses went up especially expenditures related to the employees and overall general administrative expenses of the Company.

Finance Costs

When compared to the finance costs between 2020 and 2021, total finance costs decreased from THB 10.42 million to THB 7.39 million or decreased from 0.75% to 0.43% of our revenue. A significantly decrease of finance costs for THB (3.03) million or (29.08%) of last year financial expenses was mainly due to the decrease of interest rates of both local and foreign currency loans in accordance with the world financial market interest rate and our financing policy in order to minimize its costs.

Net Profit

The Company profit in FY2021 for THB 75.68 million, or increased of +THB 6.02 million from FY 2020 net profit of THB 69.66 million. The solid performance from the operation in 2021 was led by the rising profits generated from all 3 major business units especially from Compound Business that has solid revenue from Wire & Cable segment to support the infrastructure and government expansion projects. In addition, sealant business also consolidated with strong operating margin from the rising utilization rates of the new sealant factory that can reduce the production costs of sealant cartridge and DIY segments and generate more revenue towards industrial use. Besides, this segment also gained benefits from Baht depreciation against USD. From this segment, more than THB 302 million out of the total Sealant segment of THB 485 million or more than 62% derived from oversea customers. As the overall rising revenue with tighten up the selling and administrative expenses during the COVID 19 outbreak throughout the world, all these factors led to the strong performance of Net Profit of 2021.

Financial Position

Total Assets

As at December 31, 2020 and December 31, 2021, the Company had total assets of THB 1,243.68 million and THB 1,454.05 million, respectively. The company's main assets were mainly consisted of trade accounts receivable and other receivables, inventories, and property, plant and equipment. Among these assets; it can be classified as current assets for THB 699.56 million and 925.35 THB million and non-current assets for THB 544.12 million and THB 528.70 million, respectively.

Significant changes in assets in 2021 are summarized below;

1. Current Assets

- Cash and cash equivalents as at December 31, 2021, the overall cash and cash equivalents increase of THB +28.68 million was attribute to the 3 major transactions, operating activities, investment activities and financing activities. An increase of cash flow received from operating activities for THB +2.99 million mainly attributed to the earnings from operations before tax with some adjustment to reconcile profits to cash receipt for +THB 156.93 million. This amount was adjusted with increasing in inventories for THB (162.05) million and tax paid for THB (27.89) million. For investment activities, cash were used in investment of fixed assets for THB (34.73) million. These investment activities were also be funded by financing for THB +60.21 million, mostly in short-term loans from financial institutions.
- Trade accounts receivable as at December 31, 2021, trade accounts receivable increase of THB +20.20 million (+5.52%) was led by the turnaround of sales to normal situation both local and oversea customers from impact of COVID-19 pandemic. Some unpaid balance was settled both from local and oversea customers to normal credit period.
- Besides, we have closely monitored credit profiles and utilize banking instruments to reduce payment risks. The breakdown of accounts receivable and allowance for doubtful accounts is illustrate below;

Unit (MB)	For year ended	
	31 December 2020	31 December 2021
Related parties	0.29	0.57
Other receivables	373.36	387.80
Total Receivables	373.65	388.37
Less allowance for expected credit loss (ECL)	(7.88)	(2.41)
Net Accounts Receivable	365.77	385.97

The allowance for doubtful accounts was set by considering ability to collect cash by using the percentage of outstanding balance over the different period of time. In addition, fully reserve 100% will be set once there are factors trigger to the potential credit defaults of any receivables. In 2021, we accrued less allowance for expected credit loss (ECL) as it shows in the table above to reflect less potential credit risks on overall accounts receivable. Consequently, the average collection period also decreased from 92 days in 2020 to 81 days in 2021 to reflect faster cash collection from customers.

- Inventories as at December 31, 2020, and December 31, 2021, an increase in inventory of THB +158.76 million from THB 296.59 million to THB 455.35 million was primarily the result of increasing raw materials as well as higher production costs of finished products compared to last year.

Unit (MB)	For year ended	
	31 December 2020	31 December 2021
Finished goods	79.51	128.22
Raw materials	154.90	242.94
Work in process	16.50	19.79
Factory supplies	26.03	30.56
Goods in transit	24.54	42.03
Allowance for decline in value	(4.91)	(8.20)
Net Total	296.59	455.35

2. Non-current Assets

Property, plant and equipment as at December 31, 2020, and December 31, 2021 decreased in overall non-current assets for THB (15.43) million to THB 528.69 million, due to the impact of normal depreciation and amortization of property, plant and equipment for THB (51.74) million and disposal of unused assets for THB (11.30) million.

Total Liabilities & Shareholders' Equity

As at December 31, 2020 and December 31, 2021, the Company had total liabilities of THB 598.34 million, and 770.51 THB million, respectively. The company's major liabilities were consisting of bank overdrafts and short-term borrowings from financial institutions, trade accounts payable, and other payables, and long-term loans from financial institutions. During this period, the Company had shareholders' equity of THB 645.35 million and THB 683.53 million, respectively. At the end of December 31, 2021, the Company's shareholders' equity consisted of paid-up capital of THB 363.00 million, share premium of THB 202.20 million, surplus on share-base payment of THB 0.31 million, appropriated to legal reserve of THB 20.64 million, unappropriated reserve of THB 97.39 million and other component of shareholders' equity of THB (0.01) million.

Significant changes in liabilities and shareholders' equity of 2021 are summarized below;

1. Current Liabilities

- *Short-term borrowings from financial institutions* as at December 31, 2021, and December 31, 2020, an increase in short-term loan of THB +140.54 million was the result of rising material costs during Q4/2021 and materials to be reserved for next quarter orders from customers.
- *Trade accounts payable* as at December 31, 2020, and December 31, 2021, the Company trade accounts payable increased for THB +58.29 million. However, an average accounts payable period decreased from 67 days in 2020 to 58 days in 2021.
- *Other payable* as at December 31, 2020, and December 31, 2021, the Company has an increase in other payable of THB +14.97 million.

2. Non-current liabilities

As at December 31, 2021, the Company's non-current liabilities consisted of long-term loan of THB 43.56 million, or a decrease of THB (26.16) million from last year. The Company also reserved for employee's retirement benefits for THB 43.71 million or an decrease of THB (2.82) million with the reference of the actuarial report from the actuarial experts.

3. Shareholders' equity

As at December 31, 2021, the Company's shareholders' equity of THB 683.53 million, or an increase of THB +75.68 million, was the results of net profit from operation during the year 2021. In the statement of financial position ending December 31, 2021, the Company has already booked the newly issued shares of 66 million shares or THB 33.00 million as a result of distribution of stock dividend at the ratio of 10 existing shares to 1 new share. The Company registered the increase in authorized share capital with the Ministry of Commerce on December 29, 2021.

Financial Ratio Analysis

Table 7 : Key Financial Ratios

Financial Ratio	Key Financial Ratio				
	Unit	For the year ended 31 Dec 2018	For the year ended 31 Dec 2019	For the year ended 31 Dec 2020	For the year ended 31 Dec 2021
Liquidity Ratio					
Current Ratio	Times	1.16	1.28	1.46	1.36
Collection Period	days	82	88	92	81
Inventory Period	days	92	86	91	96
Accounts Payable Period	days	61	63	67	58
Profitability Ratio					
Gross Profit Margin	%	13.65	13.44	19.53	16.36
Net Profit Margin	%	0.91	0.24	5.05	4.45
Return On Equity	%	2.23	0.56	11.36	11.39
Turnover Ratio					
Return on Assets	%	0.26	0.26	5.58	5.61
Asset Turnover	Times	1.10	1.10	1.11	1.26
Financial Policy					
Debt to Equity	Times	1.14	1.16	0.93	1.13
Interest Coverage Ratio	Tunes	2.44	1.72	6.37	9.84

1. Current Ratio

As at December 31, 2021, our liquidity ratio decreased from 1.46 times in 2020 to 1.36 times in 2021. For Liquidity management, the collection period decreased from 92 days in 2020 to 81 days in 2021, as the Company has faster receivables collection from some overdue customers both local and oversea customers as mentioned in the above section. However, our inventory period rose from 91 days in 2020 to 96 days in 2021 due to the rising material costs especially chemical materials to be used in all 3 business segments. In addition, an unbalance of supply chain of some chemical products also led to the last quarter material reserve in order to sustain the production orders from customers. For suppliers' section, our accounts payable days decreased from 67 days to 58 days in 2021 compared to the same period of last year.

2. Profitability Ratio

The Company gross profit margin increased from 19.53% to 16.36% during 2021; mainly due to rising chemical material costs mainly including PVC resins, and plasticizers used as additive solutions went up due to the increasing demand of global chemical materials around the world while the global oil price has also impacted to the plastics manufacturers during 2021. For Adhesive products, gross margin also decreased from last year as the rising material costs including Synthetic Rubber, other hydrocarbon materials using for industrial adhesive production led the overall decrease in Gross Margin in Adhesive segment. In Sealant and DIY Business, the margin also fell down slightly compared to last year as the shortage material supply in China from their energy crisis has been leading to the soaring material costs of silicone and silicone compound materials. However, we have gained benefited from foreign exchange gain during baht depreciation against US dollars with the solid gain on F/X for THB 10.23 million throughout the year; while we still maintain strictly cost control during COVID 19 outbreak throughout the world, all these factors led to the strong performance of Net Profit of 2021. However, due to rising production costs, the net profit margin decreased (NPM) from 5.05% in 2020 to net profit margin of 4.45% in 2021. Our Return on Equity increased slightly from 11.36% in 2020 to 11.39% in 2021.

3. Turnover Ratio

As at December 31, 2021, the Company return on assets increased from 5.58% in 2020 to 5.61% in 2021. The Company asset turnover also rose to 1.26 times in 2021 compared to 1.11 times in 2020 as we have better efficiency of using asset to generate revenue of overall 3 businesses. Our revenue increased in 2021 for THB 308.79 million (+22.55%); while the assets increased for THB 210.37 million (+16.92%) from last year figures.

4. Financial Ratio

Debt to Equity ratio decreased from 0.93 times in 2020 to 1.13 times in 2021 as we still maintained the balance of using our capital structure to sustain our growth of operations as last year financial structure. With the soaring of earnings before interest and tax and decreasing of interest expenses from THB 10.42 million to THB 7.39 million, the interest coverage ratio increased from 6.37 times in 2020 to 9.84 times in 2021 in accordance with rising earnings before interest and tax in lower finance costs during the year.

5. General information and other material facts.

5.1 General Information of the Company.

Company name	Applied DB Public Company Limited
Symbol	ADB
Registration No.	0107560000117
Business Type	Manufacturer and Distributor of Plastic Compound, Adhesive, Sealant and DIY products for Domestic and International customers.
Head Office	252 Moo 4 Sukumvit Road, Prakasa , Muangsamutprakan Samutprakan 10280.
Factory	<ol style="list-style-type: none">1) Adhesive and Sealant Products Factory. 252 Moo 4 Sukumvit Road, Prakasa , Muangsamutprakan Samutprakan 10280.2) Plastic Compound Products Factory. 260 Moo 4 Sukumvit Road, Prakasa , Muangsamutprakan Samutprakan 10280.3) Plastic Compound Products Factory. 271 Moo 4 Sukumvit Road, Prakasa , Muangsamutprakan Samutprakan 10280.4) Sealant Products Factory. 816 Moo 7 Bangpumai Mauangsamutprakan Samutprakan 10280.
Telephone	02-709 4040-9
Facsimile	02-709 4396
Website	http://www.adb.co.th
Registered Capital	329,999,990.50 baht Divided into ordinary shares 659,999,981 shares, par value 0.50 baht.
Paid-Up Capital	329,999,990.50 baht Divided into ordinary shares 659,999,981 shares, par value 0.50 baht.
Company's Secretary	Ms.Kanokwan Kongtanakomtunyakid Tel. 02-709 4040-9 Ext.1097,1099 E-mail : adb-cs@adb.co.th
Investor Relation	Ms.Kanokwan Kongtanakomtunyakid Tel. 02-709 4040-9 Ext.1097,1098 E-mail : adb_ir@adb.co.th
<u>Reference Person</u>	
Securities Registrar	Thailand Securities Depository Co.,Ltd. 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400. Tel. 02-009 9000 Fax. 02-009 9991
Auditor	Ms.Sawitree Ongksirimemongkol Certified Public Accountant No.10449 KPMG Phoomchai Audit Co.,Ltd. No. 1 Empire Tower Floor 50-51 Sathorn Tai Road, Yannawa, Sathorn, Bangkok 10120. Tel. 0-2677 2000 Fax. 0-2677 2222
Internal outsourcing service	Ascent Advisory Co.,Ltd. No. 26/55 Nang Linchi Road, Thung Maha Mek, Sathon, Bangkok 10120. Tel. 090-962 4799

5.2 Other material facts.

- None

5.3 Legal disputes.

- None

5.4 Secondary market.

- None

Corporate Governance



The company operates its business with responsibility, transparency and fairness within the framework of the code of conduct of the company. Which, the Board of Directors committed to maintain the principles of good corporate governance and conduct in an ethics, respect for rights, social responsibility, environment and various stakeholders. Corporate governance will support the sustainable business value as well as maintain transparent, honest, responsible management. It is also an important factor that leads the company to complete ethically under changing business conditions. By increase the value and maximum return to the shareholders. Moreover, the company creates benefits for society, community, environment including various stakeholders in the long term as well as maintain the credibility and create value for the shareholders.

The Board of Directors prepared and implemented the corporate governance policy to support the duties performance properly as well as review and update the policy at least once a year. In order to comply with the principles of good corporate for listed companies, the year 2017 is appropriate and creates confidence. The effectiveness in performing duties of the board of directors in corporate governance of the company.

6. Corporate Governance Policy.

6.1 Overview of the Policy and Guidelines.

- Policy and Practices for the Board of Directors.

The Company has established a Good Corporate Governance policy which is in accordance with good corporate governance principles for listed companies on the Stock Exchange of Thailand. with objectives for the corporate governance. Which laid down the 8 guidelines for the Board of Directors as following:

<u>Principle 1</u>	Establish Clear Leadership Role and Responsibilities of The Board as an organization leader that creates sustainable value for the business
<u>Principle 2</u>	Define Objectives that Promote Sustainable Value Creation.
<u>Principle 3</u>	Strengthen Board Effectiveness.
<u>Principle 4</u>	Ensure effective CEO and People Management.
<u>Principle 5</u>	Nature Innovation and Responsible Business.
<u>Principle 6</u>	Strengthen Effective Risk Management and Internal Control.
<u>Principle 7</u>	Ensure Disclosure and Financial Integrity.
<u>Principle 8</u>	Ensure Engagement and Communication with Shareholder.

Corporate Good Governance is important and necessary for business operation to increase the competence of the competition of the company for sustainable growth and to increase the reliability for shareholders, investor and related parties. The company always focuses on the business operation in accordance to Good Corporate Governance and perform in compliance with legal requirement, and the regulation of Securities and Exchange Commission (SEC) and Stock Exchange of Thailand strictly as agreed in accordance to Good Corporate Governance, also provide knowledge to staffs regarding Good Corporate Governance, including company's ethics. These are to create sustainable value to enterprise by set up the policy of Good Corporate Governance in order for the Board of Directors, Executives and staffs to hold as practices guidelines, expects for achievement and work guidelines in 4 dimensions as follows:

1. Competitiveness and performance with long-term perspective.

2. Ethical and Responsible Business.
3. Good corporate citizenship.
4. Corporate resilience.

The Board of Directors and the Executives have guidelines to achieve the above objectives as follows:

1. Provide a system to ensure that all shareholders and stakeholders are treated fairly and equally.
2. Supervise the Management to operate in accordance with the established policies with efficiency within the framework of policies, laws, and business ethics for the maximum benefit of the shareholders
3. Supervise the operations of the Management to be transparent, honest, verifiable, and to disclose sufficient information to all related parties.
4. Provide an internal control and audit system to be efficient, independent, and beneficial to the development and improvement of the organization.
5. Determine the Code of Conduct and Code of Ethics for the employees in writing and inform them about these so that the Directors, the Executives, and the employees can use them as guidelines for proper practice and the results can be verified and followed up.

Remuneration Structure

The Company has established a director's remuneration structure. Executives and personnel of the Company To be an incentive for all levels to perform their duties in accordance with the objectives The main goals of the organization and consistent with the long-term interests of the business are as follows:

1. To provide remuneration for directors in which could compare with the industrial standard for experience, Accountability and Responsibility, including expected benefit from each director. For director who has more assignment such as: member of sub-committee, shall have additional and appropriate remuneration.
2. To provide remuneration for Board of Directors and top management in accordance with the principle and policy set up by Board of Director in order to maximize Company's benefit. Level of remuneration in terms of salary, bonus and motivated incentive shall in accordance with the performance of each executive based on the benefit of shareholders.
3. All directors who are not management, Nomination and Remuneration Committee shall assess the performance of directors and executive every year in order to set up the remuneration for director and executive by using agree the concrete indicator with directors and executives, including financial performance regarding long term strategic objectives, executive development, etc. and proposes the preliminary assessment to Board of Director for consideration and approval. Chairman of Board of Director and Senior Director shall communicate the result to Board of Director for acknowledgment.
4. Consider the appropriateness of the salary compensation ratio. Short-term performance such as bonuses, performance-based management, and long-term such as managing a business unit and receiving appropriate compensation.
5. Determine the compensation policy in line with the industry level and take into account the Company's performance.
6. Determine the performance evaluation policy and communicate it to be known throughout the organization.

7. Non-executive directors play a role and assess the performance of the Chief Executive Officer.

The committee approves the criteria and factors for the performance appraisal, as well as approve the remuneration structure of the top executives and follow up with the Chief Executive Officer to assess the senior management in accordance with the aforementioned assessment principles and take part in overseeing the determination of criteria and factors for the performance appraisal for the whole organization. Executives and personnel of the Company can be compared to companies in the same industry.

• **Policies and practices towards stakeholders of the business**

The Company regularly analyzes the stakeholders of the business. There is an assessment for risks and impacts that may arise from the Company's business operations. It also aims for achieving a balance or satisfaction in managing relationships with stakeholders appropriately. In this regard, the importance and relationships with stakeholders are considered as follows:

Shareholder

The Company uses Principle 8 to support participation and communication with shareholders. Consistent with the principles of corporate governance in 2017 as a practice To achieve equal treatment to shareholders. The Board of Director commits to facilitate the shareholder to exercise the right and has duties to protect every shareholders' interest equally, both institution investors or major and minor shareholders, as the investor of the Stock Exchange Market and as the shareholders who are the owner of the company according to the Good Corporate Governance of the Stock Exchange of Thailand which is accepted. The Board of Director has the main duties according to the practices as follows:

1. To govern the shareholder to participate in major decision of the company.
2. To govern the arrangement for the shareholder meeting before the date of meeting, meeting in order to be readiness in all dimension with neat, transparency and efficient.

To govern to disclose the resolution of the shareholder meeting and to provide minutes of meeting of shareholder meeting correct, complete and realtime.

Right of Shareholders

1. Shareholder has the right of ownership by controlling the company through the nomination of Directors to perform duties on behalf of shareholders and has the right to make decision for the major change of the company. The company also supports shareholders to exercise their own rights.
2. Fundamental right of shareholders namely; trading, or transferring of shares, being entitled to profit sharing of the company, receiving sufficient information of the company, attending the shareholders meeting in order to to vote, to appoint, to dismiss directors, to nominate auditors, and to decide on the matters which may impact to the company such as dividend appropriation, determination or amendment of the company's Articles of Association, and Memorandum of Association, capital reduction or capital increase, and approval of special matters, etc.
3. Shareholder shall be aware of rules and procedure for attending the meeting and have sufficient information and appropriate time for consideration of each agenda prior to the meeting, having an opportunities to ask directors questions in the meeting and to submit questions in advance, having an opportunities to propose agenda meeting, and having right to authorize proxy for others to attend the meeting.

4. The Board of Directors shall realize and recognize the importance of right of shareholders, do not perform any action which may violate or deprive the shareholder's rights.

Practical Guidelines for Shareholders Meeting

1. The Board of Directors discloses policy to encourage and to promote all shareholders groups, including institutional shareholders to participate in the shareholders meeting.
2. The Board of Directors supervises the company to provide information, date, time, location and agenda meeting with the explanation and supporting document for each agenda or supporting to each proposed resolution as stated on the notice of the annual general meeting of the shareholder and the extraordinary general meeting of the shareholder or enclosed document of each agenda. The company will not commit any acts which may limit the opportunities of shareholder to receive the company's information.
3. The Board of Directors facilitates shareholder to exercise the right of attending the meeting and to fully exercise their rights. The company will not commit any acts which may limit the opportunities of shareholder to attend the meeting such as participating in the meeting for voting which shall not have any complicated or more expenses. The location for the shareholder meeting shall easy for travelling, etc.
4. The Board of Directors provides opportunities to shareholders to ask questions and express their opinions in advance prior to the shareholder's meeting date by clearly defining criteria of question submission and inform shareholders, together with the notice of shareholder meeting. In addition, the criteria of question submission will be published in advance on the company's website.
5. The Board of Director encourages shareholders to appoint any person as a proxy in which shareholder may direct to cast a vote. The company also proposed the name of independent director, at least one person to be alternative for shareholders to authorize a proxy.
6. To facilitate and reduce risk in the situation of the COVID-19 pandemic, the Company arranges meetings via electronic media. A meeting invitation letter and supporting documents for instructions on the registration process via electronic media both Thai and English versions are sent out. Assigning the Registrar of Securities Depository, a letter to the shareholders is sent out 14 days in advance before the meeting and a complete invitation letter for shareholders is published on the Company's website 21 days in advance before the meeting according to the rules of the Stock Exchange of Thailand. A letter of invitation and other attachments are prepared through a QR Code format for quick and easy access. This is to reduce resource utilization.

Conducting on Shareholder Meeting


1. The Board of Director encourages the company to bring technology for implanting in the shareholder meeting for registration of shareholders, counting vote and reporting in order to facilitate the meeting rapidly, accurately and precisely. Meetings and broadcast are also made through various electronic media and social media.
2. All directors shall attend the shareholders meeting and allow shareholder to ask question to related Chairman of each Sub-Committee.
3. During the shareholder meeting shall provide casting vote for each agenda, in case of several agenda such as; appointment of director.

4. The Board of Directors encourages the company to nominate person who is independent to count or inspect the vote during the annual general meeting of the shareholder and the extraordinary general meeting of the shareholder and discloses to the meeting, together with record on the minutes of meeting.
5. The Board of Directors encourages to use the ballot paper for major agenda such as related transaction, asset acquisition or disposal, etc. in order for transparency and inspection in case of any dispute after that.
6. The Chairman of the meeting shall allocate appropriate time and encourage shareholder to express opinions and ask questions related to the company.

Preparation of Minutes of Meeting and Disclosure of Shareholder's resolution.

1. The minutes of shareholder meeting which notifying voting procedure and counting vote in the meeting prior to the meeting the shareholder shall be informed before a meeting starts. The company also provides opportunities for shareholder to ask question or to express their opinions. In addition, the company also records questions, answers and voting results of all types, agreement, and disagreement for each agenda. A record of the meeting is clearly made, a number of votes in each agenda is clearly recorded covering agreement and disagreement in each agenda where the voting is require, including a record of names and position of directors who attend the meeting and those who do not attend the meeting is made.
2. The company discloses the result of voting of each agenda the annual general meeting of the shareholder and the extraordinary general meeting of the shareholder to the public on the next date of the shareholder meeting via the company's website.

In the 2021 Annual General Meeting of Shareholders, due to the epidemic situation of COVID-19, the Company has organized the Annual General Meeting of Shareholders via electronic media. where shareholders can attend the meeting via electronic media and vote The meeting was broadcast live at the meeting room of the Company's head office. and has notified through the channels of the Stock Exchange of Thailand and on the website of the Company. The Company has sent the meeting invitation together with documents and supporting documents for instructions on the registration process for attending the meeting via electronic media, both Thai and English versions. England By assigning the Registrar of Securities Depository to send a letter to the shareholders 14 days in advance of the meeting and disseminate the complete invitation letter on the Company's website 21 days in advance. The shareholders' meeting according to the rules of the Stock Exchange of Thailand and this time, the meeting invitation letter was prepared in QR Code format to increase efficiency and facilitate investors to access information conveniently and quickly. In addition, the company has reduced costs. Alternatively, and on the meeting day, no shareholders who attended the meeting complained or commented on the difficulty of using electronic documents in any way.

- Quality assessment results of the Annual General Meeting of Shareholders for the year 2021 (AGM Checklist) by the Thai Investors Association, the Company received a rating of "Good". 

Partners or Creditors

1. The company treats partners and/or creditors equally, equality, and fairly by emphasizing on the company's ultimate interest and based on the equal return to both parties.

2. Provide written criteria for partners selection and inform partners in advance.
3. Use copyright product and services and do not support products or any actions that are intellectual property infringement.
4. Provide an appropriate contract and under the same standard.
5. Provide management and follow-up system to ensure the compliance with a contract, also provide internal control system to prevent corruption at all stages or procurement process.
6. Make payment to suppliers on time and strictly comply with conditions as agreed and without any penalty when breach of contract.
7. Do not seek confidential trade information of business partners in a dishonest or inappropriate manner, such as payment commission to employees or executives of competitors.
8. Never accuse partners without truth.
9. Avoid situations that cause conflict of interest, including comply with obligation of the contract.
10. To use real information and accurate report. Negotiation and problem solving shall be based on business relationships that beneficial to all parties.
11. Comply with contract or agreed conditions strictly, including obligations and liabilities that may arise in the event that one of the conditions cannot be fulfilled or causes a default payment. The party shall inform a creditors without concealing the facts, in order to find a way to solve problems by using reasonableness principles.
12. Manage capital to have proper structure in order to support the company's business operations and maintain credibility with creditors.
13. Committed to maintain a sustainable relationships with creditors and provide mutual trust.

Customers or debtors

1. The company has fair policies and practical guidelines and is accountable to customer clearly and concretely. The company has good attitude toward working and emphasizes on customers. The company's employees are enthusiastic, generous, polite and always keep customer's confidential information. The company's employees never use such information for their self-interest or other's and treat minor and major customers equally.
2. Deliver quality products that meet customer's agreement at the reference price in the market, which is able to compete with others.
3. Provide accurate, sufficient and up-to-date information and suggestions about product and services to customers.
4. Strictly comply with different customer conditions. In the event that any conditions cannot be met, shall inform customer as soon as possible in order to find solutions for problem solving together.
5. Provide process which allows customers to complain about quality, services, procedure, provide consultation, quick response and delivery, and ultimate operation to enable customers to receive rapid response.

6. Allow customers to visit factory and inspect the system according to customer's standards, facilitate and provide customer to have convenience and independence for inspection. The company and employees who are inspected have a chance to clarify information directly and gain effective suggestions, exchange regulations or work procedure in order to improve and develop process of quality product and services to provide customer more responsive.

In the past year, the company was intensively inspected by customers in medical product group and rectified mistakes to meet customer's standards. The company is waiting for feedback from customers and expecting have positive feedback.

When working with partners and customers, the company provides opportunities for both parties to visit and inspect the working process and evaluate the performance for quality and satisfaction. The major customers will have the quality process inspection schedule at least 3 times a year. Result of inspection by customer or any request to improvement the working process will be fully supported by both parties.

The company has clearly defined policy for treatment to partners related to vendor selection, assessment of quality and services for partners in accordance with the standard which informed in advance yearly. The company also informs the result to partners in order to develop the further delivery and also utilize the result for further planning at the partner's operation site. It is found out that customers and partners are more interested on the environmental management and human right in organization during last year.

For partners or customers which jointed businesses and concerned with intellectual property, the company will make confidentiality agreement and related contract mentioned that never utilize the interest or intellectual property of partners or customers for its own use.

Competitors

1. The company has a fair policy and practical guidelines and be responsible to competitors clearly with ethics and in the legal framework.
2. The company has a policy for free trade and base on the faith that competitor will assist for further development in product and services standard and new innovation in order to response to the additional customer requirement.
3. Do not intentionally destroy a competitor's reputation by making misleading or false allegations without the fact.
4. Do not seek confidential information from competitors by illegal means.

Employee

1. The Company has a clear policy and procedure for approving connected transactions to prevent potential conflicts of interest.
2. The company has policies and practical guidelines on safety and hygiene workplace for employees, including creating a good working environment, encouraging employees to have good physical and mental health and to work happily. There are annual activities such as exercise competitions and annual party to enhance unity and good relationships among employees in all levels.

3. The company has realized the importance of employees, in order to achieve personnel development goal, the company recruits and hires knowledgeable and experienced personnel to work and to serve the company's need and growth. The company continually offers knowledge and competency development program to equip employees with high level of knowledge and to create good and talent employee in the organization.
4. The company has concrete policies and practical guidelines regarding equal and fair remuneration and welfare for employees, as well as other benefits comparable to an industry and legal requirements such as establishing a provident fund, financial support for employees and families when parents or husband or wife pass away or parental leave, an annual medical check-up and 5S activities in every area of the company. These aim for providing comfortable and clean environment, suitable for work place and is appreciated by visitors.
5. The company realizes the importance of personnel development by providing Training Roadmap to enable internal personnel to have appropriate potential for each department. The company promotes employees in all levels, ranging from operational employees to management and the Board of Directors to receive training to develop theoretical and practical knowledge, creating skills at work and employment under fair conditions.
6. Provide fair and appropriate remuneration to employees based on work capabilities with the implementation of an employee performance assessment system for evaluating employee competency as a basis in order to be the principles for competency development and having performance assessment as the key performance indicator. This is employed with all activities and applied to all departments in the system in 2019. This is to create the same standard, provide employees with career growth, encourage good motivation to develop the work and remuneration related to value creation for enterprise and in line with the company's performance both in the short and long term.
7. Create a collaborative work environment and teamwork by giving an opportunities to employees to thoroughly share opinions about work practices.
8. The company has established a policy relating to respect of human rights by defining clear operational practices and guidelines for non-discrimination, providing equal opportunities for women employment, disabilities, the elderly and the recognition of the right to gather as a group and to negotiate among employees. In 2019, the company had no labor dispute or complaints about human right violations.
9. Supervision for employees to strictly comply with laws and regulations related to employees, including providing advice to employees to prevent illegal acts. The company forbids employees to drink alcohol or to take narcotic. The company randomly inspects employees from time to time. Any employees found to have narcotic in the body will have treatment according to the company's rules and regulation. The company offers training to communicate with employees at all levels to prohibit any acts or to involve in corruption. Employees can inform relevant agents when corruption is found according to whistleblowing manual in 2018, the company was not reported any corruption or business losses.

10. All employees duty to protect and maintain the company's confidentiality relating to intellectual property so that such information will not be disclosed and shall not use the company's intellectual property for self-interest or for others without the permission. All employees shall respect and honour the intellectual property of others and do not use the work under other's intellectual property, no matter as a whole or some parts, without permission from the owners.
11. The company has regulation that forbidden publication according to the computer laws. All executives and employees forbid to forward message via the Internet or other communication channels that damage or destroy reputation or disturb others or impolite acts. All executives and employees are prohibited from using illegal software.

Social and Community

1. The company has fair policies and practical guidelines and are clearly responsible to society. The company discloses such practical guidelines focusing on the public interest and do not act that may damage the country's reputation, natural resources, the environment and other public benefits, and perform in compliance with rules and regulation of the environmental standards and standard of the Industrial Estate of Thailand of establishing factories and offices. The company has not received any complaints from neighbors or industrial estate in violation of such laws and regulations.
2. Do not assist, support or act as a mean to avoid or not comply with the law.
3. The company respects the community as a part that the company shall care for and facilitate. The company's location and manufacturer are located in Bangpu Industrial Estate which surrounding by villages at all exits with the continuous development all over. The company cooperates with the Industrial Estate for participating in activities with community to return to society. In 2019, the management and the employees participated in forest planting activity and cleaning Bangpu Recreation Center in order to increase fresh and clean air to the community sustainably.
4. The company is a member of several clubs of Bangpu Industrial Estate and a member of organization of Samutprakarn Province in order to partipate in activities organized for the community as deemed appropriate for each event.
5. The company has established preventive or corrective measures for an impact on the environment and the community caused by the company's operation.

Environment

1. The company has been certified by environmental management system standard ISO14001:2015 from BSI, the company that provides standard certification worldwide.
2. Develop and improve environmental management system in the companys' activities in order to reduce pollution and environmental impacts continually with the aims, target and action plan and assessment both internal and outside organization systematically.
3. Corporate with government agencies in at the local level, departments, divisions and ministries To operate in accordance with the law, regulations. By all employees shall support to participate in an environmental protection campaigns.
4. Respond rapidly and effectively to the events that affect to the environment and the community caused by the company's business operation.

5. Encourage employees to be conscious and responsible for the environment under the environmental management system, as well as energy and resources conservation campaigns efficiently. This can be done through training and knowledge via public relations such as Intranet, public relations board, training, activities, and news announcement to employees in order to increase knowledge and to communicate as the same practice throughout the organization.
6. Present the result of performance in accordance with the policy and plan on environmental responsibility in terms of report of environmental committee to Top Management and publicizes inside organization and to further develop to communicate with external.

Environmental, social and community management including reduce, reuse resources under the environmental policy and business development for sustainability, Directors and Executive shall promote to create the mentality of environmental conservation and using resources worthily. The company has performed for the second year by providing policy training, knowledge transfer for implementation, 5S activities, waste separation before discarding, reuse, turn on-turn off the lights when necessary, Changing light bulb to saving energy bulb, Solar Rooftop installation on PVC Compound Manufacture's roof which is the most electricity consumption factory of the company. The energy cost savings of this plant is only 15.51% and is in the process of expanding the installation to the 271 branch plant.

As for society and communities, in 2021, due to the COVID-19 epidemic situation, there are no activities to engage in community involvement, and the Company will continue to monitor the situation and adjust the plan accordingly.

6.2 Business Code of Conduct.

- **Business Confidentiality and Intellectual Property Policy.**

For business operations, the Company realizes and focuses on the creation and development of innovations so that such innovations can be applied for patents as intellectual property of the Company which is considered as a tool to build reliability, create value, and create brand awareness and the overall image of the Company.

In the operation of the company, there is a guideline for all employees who have access to commercial information. That is, they must sign a working memorandum, must not commit computer crime, and not infringe on intellectual property including the Company's information and customers' information that they have opportunities to access. Such information must not be directly and indirectly used for exploitation. The Company has established such policies in the Information System Security Policy and the Business Confidentiality and Intellectual Property Policy. In this regard, the Company audits the internal control system at least once a year, including the use of software programs for work and contract control and management to prevent the use of insider information and prevent intellectual property infringement.

The Business Confidentiality and Intellectual Property Policy prescribes the important details to prohibit employees of the Company from disclose or use of news, any inventions which are the Company's confidentiality including formulas, processes, manufacturing processes and significant business information that must be concealed to others for exploitation through any of the following methods:

1. Any inventions that the employees innovate or share ideas while working with the Company are the right and property of the Company. The employees cannot disclose or use them for exploitation.
2. Use the Company's assets for the Company's benefit, take care of such property not to be damaged or lost and do not use the Company's assets for exploitation or for someone's interest other than for the Company's business.
3. Do not take any action which is a violation of the Company's intellectual property or others and do not use pirated software in the Company.
4. Maintain the Company's confidentiality and do not disclose or leak any confidential documents or information of the Company to unrelated persons that may cause damage to the Company.
5. Do not disclose or make use of any news which is the Company's business confidentiality including formulas, production processes, production methods, financial reports, other business information and important information considered as the matters that that must be concealed to others for exploitation by any means.
6. Do not use their authority and duties or allow other persons to use their authority and duties for exploitation or for others unlawfully.
7. Do not take any action causing damage to the image and reputation of the Company.

- **Insider Trading Policy**

The Company has policies and procedures to take care of itself. An additional policy for the use of insider information of the Company is prescribed for the Directors, the Executives, and the employees. The details are as follows.

1. It is prohibited to use insider information of the Company to seek benefits in the purchase or sale of the Company's shares or to provide such information to other persons to purchase or sell the Company's shares
2. It is prohibited to use the Company's confidential information for exploitation including for personal use or for any persons without realizing that such information may cause damage to the Company.
3. It is prohibited to disclose the Company's trading confidentiality to others, especially to the Company's competitors.
4. It is prohibited to disclose customers' confidential information until the written permission of the Company has been obtained.
5. The Company has established measures to prevent the exchange of the Company's insider information to the connected persons including the Directors, the Senior Management, and the employees in related departments (spouses and underage children are included). In this regard, the Company has a policy to prohibit connected persons from trading the Company's securities in writing for at least 30 days before the quarterly public disclosure and annual financial statements, and at least 24 hours after the public disclosure of such financial information.

- **Anti-Corruption Policy**

The Company prohibits the Directors, the Executives, and the employees of the Company from operating or accepting any form of corruption directly or indirectly. All businesses all departments/divisions/divisions of

the Company and its subsidiaries must review their compliance with anti-corruption policies appropriately and regularly and review operational guidelines and operating requirements to be consistent with changes in business, rules, regulations, and legal requirements. The guidelines are as follows.

1. Do not perform any behavior that indicates the intention of corruption, give bribes to or accept bribes from government and private officials, or stakeholders related to the Company in order to obtain or maintain business or competitive advantages or for exploitation and those involved.
2. Do not ignore or neglect when observing actions considered as corruption related to the Company. It is the duty to notify the supervisors or responsible persons and cooperate in the investigation of facts.
3. The Company will provide fairness and protection to a person who refuses corruption or reports corruption clues to the Company as prescribed in the measures to protect a complainer or those who cooperate in reporting corruption.
4. The Company emphasizes on the importance of disseminating and providing knowledge and making understanding to the persons who must perform duties related to the Company or may affect the Company in matters that must be complied with the anti-corruption policy.
5. The Company provides an appropriate and efficient audit process and internal control system on a regular basis to prevent corruption.
6. The Company provides a human resource management process that reflects the Company's commitment against corruption and anti-corruption measures covering selection, training, performance evaluation, compensation, and promotion.

Those who commit corruption are unethical acts. They must receive a penalty in accordance with the regulations on the discipline of employees of the Company as prescribed. They may be subject to legal penalties if such actions violate legal provisions.

(The company's important policy, can read the full version at www.adb.co.th Investor Relations Section)

6.3 Material changes and developments regarding policy, guidelines and corporate governance system in the preceding year.

• Monitoring and Evaluating Anti-Corruption Policy Compliance.

The Company has guidelines for monitoring and evaluating the anti-corruption policy compliance as follows:

1. Internal Audit Unit which the Company has hired is Ascent Advisory Company Limited auditing the internal control system. The audit is performed in accordance with the annual audit plan approved by the Audit Committee and the results are reported to the Audit Committee at a quarterly meeting.
2. Internal Control Unit is an internal unit which is responsible for setting up systems and controlling within the organization. It is responsible for internal operations which improves the results from the internal audit, prepares policies or control several agencies to formulate policies, work procedures or work manuals and set approval authority.
3. There is an internal seminar to provide knowledge about anti-corruption measures from the Internal Control Unit who communicates the implemented measures to prevent corruption and prepares a quarterly performance report.

4. There is an assessment of corruption risk in all activities related to government agencies and the measures to prevent all important sectors are prepared.

In the working cycle of 2021, the Company has not received any complaints about corruption.

Whistleblowing and Complaints

The Company has established measures and provided channels for both internal and external stakeholders as well as the employees and several groups of stakeholders. They can report clues or file complaints including corruption, suspected acts of violating laws, rules, regulations, and codes of conduct that affect economy, society and environment or policies, violations of law and unfair practices, any acts that may cause damage to the Company, defects in goods or services, suggestions and other complaints related to the Company. The Company has established measures to protect and maintain confidentiality of complainants and measures to heal those who have suffered from the Company's operations.

In 2021, Internal Audit Unit reported the whistleblowing and received the complaints reported to the Audit Committee. No complaints from both internal and external complainers.

Board of Directors' Performance

Throughout 2021, the Board of Directors' performance is as follows.

1. The Board of Directors organized 7 Board of Directors' meetings in 2021 and the Directors attended the meetings 100%. Due to the COVID-19 pandemic, the Board of Directors was unable to hold the meetings at the head office meeting room or at other places. As a result, online meetings via Zoom were organized which were effective as regular meetings.
2. The Board of Directors provided the Management an opportunity to independently present the results and report the operational results by themselves as well as being acknowledged the meeting results of the subcommittees prepared as an agenda for acknowledgment. The Directors were independent in expressing their opinions on performance and reporting that the Management could use to for improvement as recommended.
3. Risk assessment and risk management plan were considered and approved. The Committee considered the importance of adapting to the changes during and after the COVID-19 pandemic situation. The Company must prepare personnel with additional or different skills, change in consumer behavior and trends of substitute products that must meet the changing consumer behavior. Close monitoring was approved, and additional meetings of directors could be called for when necessary or when the delegation of management was changed or the approval limit for operations was increased.
4. Annual policy review and risk management policy were approved. Risk Tolerance was amended.
5. A press conference about the operating results and business direction of the Company was organized via the Opportunity Day held by the Stock Exchange of Thailand at least twice a year. The Managing Director and the Chief Financial Officers as well as relevant Top Management are responsible for presenting the information. In 2021, the Company participated in the Opportunity Day for 3 times.
6. A meeting with journalists was organized and the news was presented to analysts by the Chief Executive Officer and the Managing Director assigned to present information that should be disclosed to the public.

The compensations of individual directors, the team and the employees were disclosed. This includes shareholding information, work history, education, training and important information of the Directors and the Executives in the form of 56-1 One Report.

Major developments in 2021

1. The company received a “very good” CG Scoring or scoring of 4 stars for the 2th consecutive year in the corporate governance survey of Thai Listed companies (CGR) year 2020 from the Thai Institute of Directors (IOD) and the Stock Exchange of Thailand.



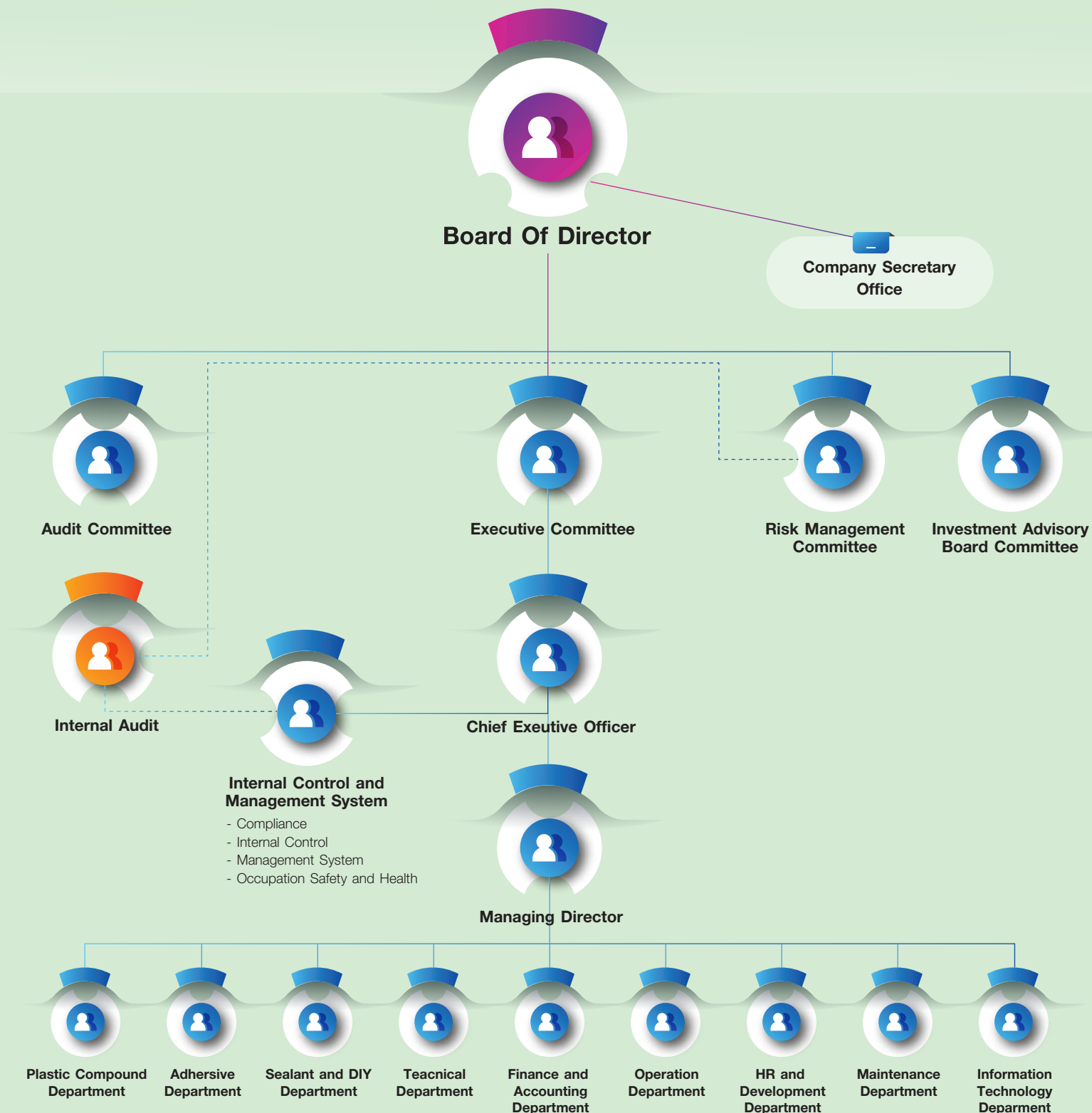
2. The company was selected for the first year on the list of sustainable stocks or Thailand Sustainability Investment (THSI) 2021 by the Stock Exchange of Thailand. This reflects the commitment to develop business management to grow in line with the sustainable development approach included environmental, social and governance issues or ESG (Environmental, Social and Governance).
3. In the COVID-19 epidemic. The company implemented the measures set forth by government agencies for the 2021 Annual General Meeting of Shareholders during. The Company also provided a live broadcast for shareholders.
4. Arrange meetings of the Board of Directors and sub-committees through electronic media in order to conduct meetings during the outbreak of the Coronavirus 2019 (COVID-19) in accordance with the law.



7. Corporate Governance Structure and Significant Information Related to the Board of Directors, Sub-Committee, Executives, Employees and Others

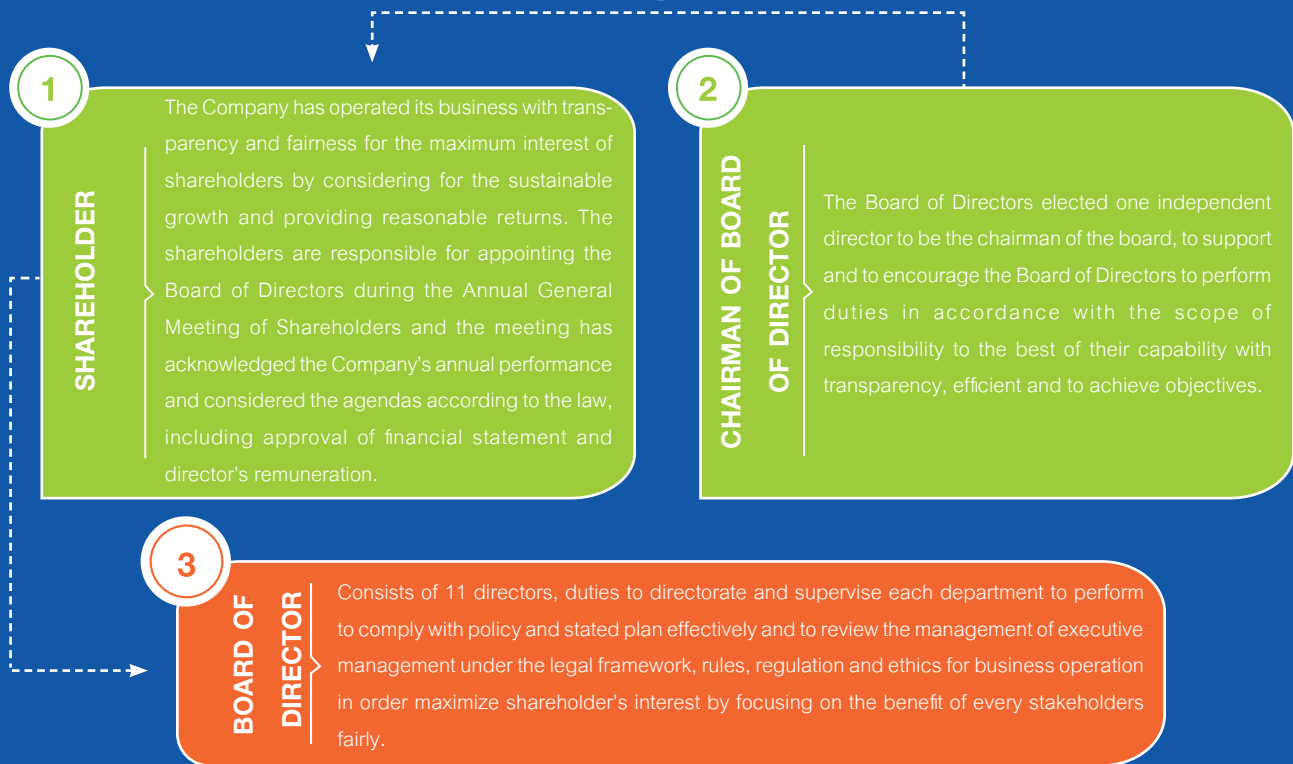
7.1 Corporate Governance Structure.

Management Structure of Company consists of Board of Directors and 4 Subcommittees; Audit Committee, Executive Committee, Risk Management Committee, and Investment Advisory Board Therefore, Company has Management Structure which has Independent Directors, not less than 3 persons and not less than one-third of total directors of the Company. The qualification of each Independent Directors and Audit Committee are complied with the Rules of Notification of The Capital Market Supervisory Board completely.



Report

Appoint



7.2 Information on the Board of Directors.

7.2.1 The composition of the Board of Directors.

As of December 31, 2021, the company has 11 Board of Directors consisting of 4 members from management, Non-Executive 7 members, with 4 persons having independent qualifications, which is more than 1 in total 3 of the total number of directors. Therefore, it is considered a proper balance of the Executive. The Chairman of the Board of Directors is not the same person as the Chief Executive Officer but has a blood relationship. Therefore, the Chairman of Audit Committee is responsible for auditing. To propose an opinion on the agenda of the Board of Directors' meeting and the agenda of the shareholders' meeting instead.

Name of Director	Board of Director	Audit Committee	Risk Management Committee	Investment Advisory Board Committee	Executive Committee
1. Mr.Pawat Wongtangtrakul	Chairman of the Board	-	-	-	-
2. Mr.Wang Wanapaisan	Director (Executive)	-	Committee	-	Chairman
3. Mr.Rattanachai Wongcharoensin	Director (Non-Executive)	-	-	-	-
4. Ms.Pornpiwan Niramoncherdchay	Director (Executive)	-	Committee	-	Committee
5. Mr.Wei Kai Wang	Director (Executive)	-	Committee	-	Committee
6. Mr.Veerachai Wongcharoensin	Director (Executive)	-	Committee	-	Committee

Name of Director	Board of Director	Audit Committee	Risk Management Committee	Investment Advisory Board Committee	Executive Committee
7. Mr.Wutthichai Wongcharoensin	Director (Non-Executive)	-	Committee	-	Committee
8. Dr.Mongkon Laoworapong	Independent Director	Chairman	Chairman	Chairman	-
9. Asst.Prof.Dr.Monpilai H. Narasingha	Independent Director	Audit Committee	Committee	Committee	-
10. Mrs.Kanchana Piyasatit	Independent Director	Audit Committee	-	-	-
11. Mr.Chung Jen Yang	Independent Director	-	-	-	-

Ms.Kanokwan Kongtanakomtunyakid, Acting as the Secretary of the Board of Directors and the Company Secretary.

7.2.2 Directors who are authorized signatories of the company.

The directors authorized to sign on behalf of the Company are Mr. Pawat Wongtangtrakul or Mr. Wang Wanapaisorn or Mr. Wei Kai Wang, either person shall sign with Mr. Wutthichai Wongcharoensin or Mr. Veerachai Wongcharoensin, either person to have two signature and seal with Company's stamp.

7.2.3 Roles and Duties of the Board of Directors.

Board of Director

Board of Director is comprised of knowledgeable personnel with relevant skills and qualification in running the company's business and shall be independent to freely audit the company's performance. Board of Directors shall also set the Vision, Tasks, Goals, Financial Strategies, Risks, Business Plan and Annual Budget of the company, including monitoring and supervising the relevant function to operate in accordance with the specified policies and plans efficiently and effectively.

Term of Office of the Directors

The Board of Directors is responsible for managing the business operations of the company. The directors' term of office has been appointed in accordance with the regulations of the company, which is that at the Annual General Meeting of Shareholders one-third (1/3) of those who are directors at the time are to retire. If the number of directors at the time is not divisible by three, then the number nearest to one third (1/3) of the directors shall retire from office. Retired directors may be chosen to return to their position again.

However, any action taken to grant powers, duties and responsibilities to the Board of Directors shall not result in empowering or granting any power of attorney which may authorize the Board of Directors or a grantee to approve transactions in which s/he or any other person may have a conflict of interest (as defined in SEC and SET notifications) with the company or its subsidiaries.

Merging or Separation Positions.

The Board of Directors has determined the separation of power and duties to decentralize the power and duties of making decisions and instructing, providing balance check, and review management clearly that has

been always reviewed and improved throughout as appropriate and covering all activities of the Company, as well as in accordance with the changes in the notification or requirement of various regulatory agencies by setting up the management authority under the authorization and operation regulation.

Independence of the Board of Directors and Management

1. Separation of the position of Chairman of the Board and Chief Executive Officer.

The Board of Directors encouraged the good corporate governance by the Board of Directors prescribed that the Chairman of the Board of Directors is different from the Chief Executive Officer, as well as clearly segregation of powers and duties according to the authorization and operation. Previously, the consideration and approval by the Board of Directors to allow the Board of Directors to independently check and balance the work of the management.

2. Balance of Directors

The Board of Director provided the appropriate composition of the Board of Directors and clearly segregation of roles, duties, and responsibilities between the Board of Directors and the management. All directors are independent in expressing their opinions on the Company's operation with honesty, protecting the interests of the Company without being possessed, as well as being responsible for the performance under the law, Articles of Association of the Company, as well as the resolution of the Board of Directors' meeting and the resolution of the shareholder's meeting.

Chairman of Board of Director

Duties and Responsibilities

According to Company's regulation article 27 specifies that; The Chairman shall invite directors for meeting and in the meeting Chairman or the person assigned of Chairman to dispatch invitation letter to the director, not less than 7 days prior to the meeting date, except any urgent case, To protect the rights or benefits of the Company, the Chairman of Board of Directors or the person assigned by the Chairman of Board of Directors may notify the meeting by other means and set the meeting date earlier. more than 2 directors may request for Board of Directors meeting. For this case, Chairman can set up date and time for meeting within 14 days. from the date of request. In order to divide authorization for setting up Company's policy and management clearly, Company has assigned Chairman and Chief Executive Officer to be different persons.

Chief Executive Officer

Duties and Responsibilities

Manage and supervise business operations related to the general management of the Company, in order to comply with the objectives, policies, rules and regulations of the Company, regularly monitor and evaluate the Company's performance and have a duty to report the results to the Board of Directors, Audit Committee, and Sub-Committees.

Therefore, the delegation of authority and responsibilities of the Chief Executive Officer shall not be in the form of power of attorney or sub-authorization that allows the Chief Executive Officer or person authorized by the Chief Executive Officer to approve any transactions which him or anyone who may have conflicts of interest. (as defined by the relevant agencies) having a stake or may have any other conflict of interest with the Company or a subsidiary, except for the approval of transactions that are in the normal course of business with a defined scope.

7.3 Information on subcommittees.

The Board of Director has appointed the 4 Sub-Committees in order to duties to monitor and control management of the Company on the importance matters under the supervision of the Board of Directors, including assessment the performance and set up the remuneration of Sub-Committees for Sub-Committees as appropriate within the specified time as the Board of Directors deems appropriate. However, the Board of Director may cancel, delete, revoke, change or revise the assigned authorities. The authorization, duties and responsibilities of the Sub-Committee are as follows:

Sub-Committee

1

Audit Committee

Appointed by the Board of Directors, consists of at least 3 Independent Committees duties to examine the financial statement and to provide guidelines for internal audit. By at least one committee shall have adequate knowledge and experience to review reliability of financial statements.

2

Risk Management Committee

Appointed by the Board of Director, consists of at least 3 persons, duties to establish risk management policy, risk management plan and risk management process for the whole enterprise.

3

Investment Advisory Board Committee

Appointed by the Board of Director, consists of at least 2 Independent Committees, duties to provide consultation, and advice of the Company's investment, including monitoring the Company's Investment under the policy, principles and stated investment scope.

4

Executive Committee

Appointed by the Board of Directors, duties to supervise, control and manage the working process to be the same direction, considered the main issue of the business operation. In addition, to perform the duties of nomination and selection the person who shall be proposed as Board of Directors, Chairman of the Board of Directors, Managing Directors, and Top Management, including proposing payment principles and type of remuneration of Top Management of the Company from the position of director upwards in order to propose to the Board of Directors for approval.

5

Independent Director

Was the independent director to express opinion and to participate in the management in order to protect the interest of shareholders and all stakeholders equally. At the end of 2020, there were 4 independent directors. In case of the Chairman of the Board of Directors is not independent, may appoint the chairman of the Audit Committee to audit, provide opinions on the agenda of the Board of Directors' meeting and the agenda of the shareholder's meeting.

Chief Executive Officer

Appointed and supervise the Board of Directors, duties to manage the Company to comply with the objectives, policy and strategy as stated by the Board of Directors and to report to the Board of Director with transparency.

Management

Managed the responsibilities according to policy and target as assigned by the Chief Executive Officer.

Company Secretary

Appointed the Board of Directors, duties to be the Company Secretary according to Securities and Exchange Act 2535 and the Capital Market Supervisory Board, including performing as assigned by the Board of Directors.

Audit Committee

Audit Committee consists of 3 Independent directors, responsible for auditing financial statements and providing guidelines for internal audits. At least one director has sufficient knowledge and experience to review the credibility of the financial statements.

As of December 31, 2021, Audit Committee consists of 3 Independent directors as follows:

Name	Position
1. Dr.Mongkon Laoworapong	Chairman of Audit Committee
2. Asst.Prof.Dr. Monpilai H. Narasingha	Audit Committee
3. Mrs.Kanchana Piyasatit	Audit Committee

Duties and Responsibilities

Audit Committee has duties according to the assignment by Board of Directors as follows:

• Internal Control System

1. To review the internal control system and internal audit system, risk management system and to ensure appropriateness and effectiveness in accordance with international standard.
2. To give advice to management regarding work process improvement or work process to reduce any risks in order to receive correct financial reporting and good advantage, and also to have effective work system.
3. To advise for setting up good corporate governance policy, including appraising Committee's performance according to good corporate governance.
4. To review and ensure that the Company's operations are in compliance with the rules and regulations of relevant laws, as well as resolution of Board of Directors Meeting.
5. To consider the connected transactions or transactions that may lead to any conflict of interest which may damage to the Company.
6. To review the process of preparation financial statement in order to provide reliable financial information and to disclose major information accurately and in accordance with acceptable general accounting standard.
7. In the case that the Chairman of the Board of Directors is not independent, the Chairman of the Audit Committee has an additional duty of examining and proposing opinions on the meeting agendas of the Board of Directors and of the shareholders.

• Internal Audit System

8. To approve internal audit plan, budget, manpower loading for internal audit, also to consider the independent of internal audit by considering the operation and reporting and line of command.
9. To review and to comment the operation of Internal Audit Work.
10. To consider together with executive in order to provide comment to Board of Director for transferring, relieve, and to pay remuneration for performance of manager of Internal Audit and/or Internal audit service providers from external.

• Auditor

11. To review and to assess the performance of Auditor, including to select and to propose to appoint Auditor for the Company, together with the remuneration.

12. To review the highest effective coordination between Auditor, Internal Auditor and/or Internal audit service providers from external.

• Other

13. To provide performance appraisal for Audit Committee annually and to report to Board of Director. Therefore, the objective of the performance appraisal is to build the confidence for related parties working under the framework completely and effectively, it is also the opportunities to consider, to review and to exchange the idea among the committee aiming for seeking the development guidelines and operation improvement effectively and efficiently.
14. Review the accuracy of reference documents and self-assessment on the Company's corruption measures in accordance with Private Sector Collective Action Coalition against Corruption.
15. To perform any other duties as assigned by the Board of Directors and agreed upon by the Audit Committee. Audit Committee shall receive information in order to continually develop knowledge related to the operation of Audit Committee and related to the business operation.

To perform according to scope and duties, Audit Committee has authorization to invite Board of Director, Executive, employees or relevant parties to participate in the meeting for discussion or clarification or to submit document which thinks it's related, including to seek for the independent comment from other professional advisors when it's necessary. All the cost shall be borne by the Company.

Qualification of Audit Committee

The qualifications of the Audit Committee are set out as follows:

1. To be qualified completely as independent director in accordance with the criteria and condition of Securities and Exchange Commission, Thailand and Stock Exchange of Thailand, Capital Market Supervisory Board and / or notification of Stock Exchange of Thailand.
2. Neither be nor have been an Executive Committee, Officer, Employee, Controlling person or advisor who receives a salary of the Company, its parent company, Subsidiary, Joint Venture, Major Shareholder or Controlling person.
3. Not to be directors of the main office affiliated companies, same affiliated companies only for the listed company.
4. Has adequate knowledge and experiences to perform as Audit Committee, shall have at least one Audit Committee has adequate knowledge and experiences to review the reliability of financial statement.

Appointment and Terms of Audit Committee

The Board of Directors or Shareholder Meeting will appoint independent director to be Audit Committee according to the terms of the Board of Director. Therefore the Audit Committee, who retires from the position, can be selected to be Audit Committee again.

In case of Audit Committee is holding till the end of his term or cannot stay till the end of his term which affects that number of director is less than 3 persons. The Board of Director or Shareholder Meeting will appoint new Audit Committee to fulfill immediately or within 3 months after the date of missing number of Audit committee in order for continuity of Audit Committee's operation.

Risk Management Committee

The Risk Management Committee of the Company (“The Committee”) consisting of Director(s) and Independent Director(s) is established by the Board of Directors. The Committee must have at least 3 members. The role of the Committee is to support and operate the business based on the principle of Good Corporate Governance connecting to the visions, missions, and targets of the Organization. Additionally, the Company has adopted the international framework commonly known as COSO Enterprise Risk Management Framework (“COSO ERM”) and has enhanced the Risk Management in order to be indoctrinated as part of Company’s culture. These are to ensure the stakeholders of the Company that the tactical execution of Company has triggered to the achievement of Company’s objectives and goals.

As of December 31, 2021, The company has the Risk Management Committee consists of 8 person, Consists of 2 Independent Directors, 1 Non-Executive Director and 5 Executive Directors. as follows:

Name	Position
1. Dr.Mongkon Laoworapong	Chairman of Risk Management Committee
2. Mr.Wang Wanapaison	Risk Management Committee
3. Ms.Pornpiwan Niramoncherdchay	Risk Management Committee
4. Mr.Wutthichai Wongcharoensin	Risk Management Committee
5. Asst.Prof.Dr. Monpilai H. Narasingha	Risk Management Committee
6. Mr.Wei Kai Wang	Risk Management Committee
7. Mr.Veerachai Wongcharoensin	Risk Management Committee
8. Mr. Piriya Moungram	Risk Management Committee

Duties and Responsibilities

1. To manage and to control Corporate’s risk for investment and Company’s operation in the appropriate level, not only to screen the policy or formulate overall major corporate risk management guidelines such as Financial risk, Investment Risk, and any risks which impacted to Corporate’s image, etc.
2. To formulate strategies and risk management guidelines of the Company in compliance with Risk Management Policy by having Risk Management Committee to assess follow up, and monitor Company’s risk in the accepted level.
3. To consider risk criteria, risk levels of the Company can accept.
4. To report the result of Risk Management of the Business to the Board of Directors. In case of any factor or major events which may significantly impact to the Company, shall report urgently.
5. To appoint the Risk Management Working Group as necessary.
6. To consider for the mitigation to handle risk management for business and condition for each period.
7. To bring the update information technology system to implement in risk management process and to promote all personnel levels to access to risk management information, including providing risk management reporting to directors or any position in the Company effectively.
8. To carry out other relevant issues to Company’s risk as assigned by the Board of Directors

Investment Advisory Board Committee

The Board of Directors has appointed the Investment Advisory Committee which has the objective of setting policy, rules and scope of investment as well as monitoring the Company's investment to ensure that they are aligned with the policy, framework, rules and scope of investment specified. The Committee consists of at least 2 committee members. The Chairman of the Investment Advisory Board must not hold the position of the Chairman of the Board of Directors and/or the Chairman of the Executive Committee of the Company and must be able to devote time to perform duties as an investment advisor.

As of December 31, 2021, The company has the Investment Advisory Board Committee Consists of 2 independent directors as follows:

Name	Position
1. Dr.Mongkon Laoworapong	Chairman of Investment Advisory Board Committee
1. Asst.Prof.Dr. Monpilai H. Narasingha	Investment Advisory Board Committee

Duties and Responsibilities

1. Consider and identify policy, rules and scope of investment as well as monitoring and following up the Company's investment in accordance with the policy, framework, rules and scope of investment specified.
2. Follow up the investment to ensure it does not violate rules and regulations of the capital market.
3. Consider and evaluate the risk and worthiness of the investment.
4. Other tasks as assigned by the Board of Directors.
5. Report the performance, methods and suggestions to the Board of Directors for acknowledgment.

Executive Committee

As of December 31, 2021, The company has the Executive Committee consists of 8 person as follows:

Name	Position
1. Mr.Wang Wanapaison	Chairman of the Executive Committee
2. Mr.Wei Kai Wang	Executive Committee
3. Mr. Kang Hsu Liu	Executive Committee
4. Mr.Wutthichai Wongcharoensin	Executive Committee
5. Mr.Veerachai Wongcharoensin	Executive Committee
6. Ms.Pornpiwan Niramomcherdchay	Executive Committee
7. Mr. Piriya Moungram	Executive Committee
8. Mr. Jirawat Akkrapunpong	Executive Committee

Duties and Responsibilities

1. To formulate strategies, consider and moderate and business plan, budget, including management structure corresponding to policy and target of the Board of Director, both short term and long term as to propose to the Board of Director for further consideration.
2. Consider important policies, regulations and guidelines presented by the Management or the Executive Committee and proposed to the Management to implement for efficient and transparent management.

3. Determine the Company's investment finance policy and the investment policy direction in accordance with the Company's policy and approve investment rules including investment proposals according to the Company's regulations and propose to the Investment Advisory Board or the Board of Directors in accordance with the regulations set by the Company.
4. Supervise and monitor the Company's management so that it complies with the policy action plan and the annual budget set by the Board of Directors and report the results to the Board of Directors.
5. Approve financial matters and non-financial transactions of the Company within the scope of the approval authority.
6. Determine the organizational structure, order of command, appropriate individual authority and level of approval and provide separate duties that may facilitate corruption and present them to the Board of Directors for approval as well as controlling the compliance with the approved principles and requirements.
 - 6.1 Acting on behalf of the Nomination and Remuneration Committee. While the company does not have this committee. Considering selection And determine compensation of the Board of Director, Chief Executive Officer, Managing Director, Executive and Company Secretary. and consider the qualifications appropriately to the business context and propose to the Board for approval.
 - 6.2 Determine the compensation, prepare rules and policies for determining necessary and appropriate compensation, both in monetary and non-monetary terms for the Board of Directors and subcommittees by considering the suitability for the obligations, responsibilities, performance and comparing with companies in similar businesses as well as expected benefits from the Directors to be proposed to the Board of Directors for consideration and to the shareholders' meeting for approval.
 - 6.3 Consider an efficient management organization structure which covers both personnel recruitment, management salary structure of the Company, including authorization to set up scope and duties, recruitment, promotion, transfer, deletion, decreasing, relieve, termination, performance appraisal, penalty, reward to employees on Senior Vice President (SVP) level and Vice President (VP) level or equivalent through the delegation to Chief Executives Officer or the grantee to perform on behalf of the Company for labor contract signing.
 - 6.4 Evaluate the performance of the Chief Management of the Company to be proposed to the Board of Directors' meeting for acknowledgment and approval.
7. Consider all types of work proposed to the Board of Directors except the work under the responsibility and/or the authority of other subcommittees of the Company who will consider screening and presenting them directly to the Board of Directors.
8. To carry out other relevant issues to Company's risk as assigned by the Board of Directors. Therefore, the mentioned delegation shall not grant the power to Executive Committee or grantee by Executive Committee to approve any transaction which may have conflict, interest, or may have any conflict with other Company or affiliated companies required by Stock Exchange of Thailand, except any transactions according to the approval of the Board of Directors.

7.4 Information on Executives.

7.4.1 Names and positions of the highest ranking executive. As of December 31, 2021, The company has the highest ranking executive consists of 13 person as follows:

Name of Executives	Position
1. Mr. Wang Wanapaisan	Chief Executive Officer
2. Ms.Pompiwan Niramoncherdchay	Managing Director
3. Mr.Jirawat Akkranupompong	Vice President of Finance and Accounting
4. Mr. Wei Kai Wang	Vice President of Plastic Compound Product
5. Mr.Veerachai Wongcharoensin	Vice President of Adhesives Product
6. Mr.Kang Hsu Liu	Vice President of Sealant and DIY Product
7. Mr.Piriya Moungrkram	Vice President of Technical Department
8. Mr.Siripong Luewongwattana	Vice President of Sales of Plastic Compound Product
9. Mrs.Wichitra Thubburee	Vice President of Internal Control and Management System Office
10.Ms.Nattha Likitrujanon	Vice President of Operation Department
11.Mr.Chang Chin Kuei	Vice President of Maintenance Department
12.Ms.Sirisuda Sujariyanurak	Acting to Vice President of Human Resources and Development Department
13.Mr.Cheng-Hsien Chen	Acting to Vice President of Information Technology Department

7.4.2 Remuneration Policy for Executive Committee and Executives.

The Company has a policy that the compensation for the Executive Directors shall be considered from the suitability of their duties and responsibilities, performance and compared with companies in similar businesses. On the part of the Executive Directors, they will be paid annual salary and bonuses by considering the Company's performance.

7.4.3 Remunerations of Executives

(1) Remuneration in Cash

In 2021, the Company paid remuneration in cash to the Executives. Details as follows;

Remuneration for Executives	Year 2019		Year 2020		Year 2021	
	Number (Person)	Remuneration (Baht)	Number (Person)	Remuneration (Baht)	Number (Person)	Remuneration (Baht)
Salary and Bonuses ¹	10	20,132,502	10	19,690,129	12	22,283,103
Others ²	9	5,151,074	9	4,824,452	12	13,446,211
Total		25,283,577		24,514,581		35,729,314

Note:

1. Company pays remuneration in terms of bonuses for 2 times per year by paying first time at the end of December of every year and second time before Songkran Festival of every year.
2. Other fringe benefits such as position allowance, other welfares such as provident fund, living cost, management fee, travelling expenses, premium for vehicle, accident insurance, medical care, tuition fee, depreciation fee, renting fee, etc.

(2) Other Remuneration

• Provident Fund

The Company has provided a provident fund for the Executive Directors at which the Company contributes the rate of 2.8 percent of salary for the employees with less than 10 years of service and the rate of 3.3 of the salary for the employees with more than 10 years of service. In 2021, the Company has paid contributions to the provident fund for 271 employees, totaling 1.74 million baht, with 58% of employees participating in PVD.

7.5 Information on Employees.

As of December 31, 2021, The company has the employees (excluded executives) in total for 434 persons, as follows:

Department	Number of Employees (person)		
	December 31, 2019	December 31, 2020	December 31, 2021
COO ¹	1	2	13
Financial and Accounting	22	20	21
Plastic Compound	139	136	135
Adhesive	38	33	37
Sealant & DIY	94	110	121
International Trading	13	-	-
Technical	45	42	36
Human Resources and Development	37	42	24
Operations	76	72	50
Maintenance	-	-	25
Information Technology	-	-	4
Total²	465	457	466

Remark :

1. The structure management in 2021 includes the Secretary Office of Company and the Internal Control and System Administration Office under the COO Division.
2. The manpower 2021 increased by 2% compared to 2020 since the management cost of personnel shall be in line with the COVID-19 situation.
3. Foreign Trade Department was merged with product departments, for example, the Foreign Trade Department for sealants was merged with the Sealant Products Department, etc.
4. In 2021, the Maintenance Department was separated from the Operations Department and the Information Technology Department was separated from the Human Resources and Development Department.

• Remuneration of Employee

In 2021, The company pay remuneration in cash to employees (excluded executives) as follows:

Remuneration of Employee	Year 2019 (Baht)	Year 2020 (Baht)	Year 2021 (Baht)
Salary and Bonuses ¹	107,679,911	108,372,512	115,472,237
Others ²	26,121,908	22,773,959	23,268,892
Total	133,801,819	131,146,471	138,741,129

Remark :

1. Salary and bonuses is not provided for sales representatives. Company pays by commission in which is calculated with this portion.
2. Other fringe benefits such as position allowance, expertise fee, living cost, smell fee, mixed paint fee, lump sum OT, long distance fee, renting fee, retirement, etc.

Remuneration Policy

The employee remuneration policy applies to all employees. The Company believes that the factor making the Company success is the ability to attract talented people to attend and retain those people and to motivate them to work at full capacity. The employees will be offered remuneration that is appropriate, comparable to companies in the same industry, which is the main component of the remuneration. The result is that the employees have great encouragement to create sustainable results and allow the Company to continuously grow.

Composition of remuneration

1. Salary
2. Annual bonus and special bonus
3. Benefits
4. Severance pay in case of termination (Under the Labor Protection Act)

Personnel Performance Management System

The Company has the performance management system for personnel by establishing Corporate KPIs in accordance with the Balanced Scorecard (BSC) which consider the perspective that covers dimensions. The consideration comes from all sectors in the organization and is summarized by the Management. After that, the indicators will be sequentially passed on from the Chief Executive Officer to the Management, the managers and all employees respectively. Each employee will have their own indicators that correspond to the indicators of department/division and organization. A head or supervisor will give advice and suggestions to subordinates in order to develop the work and will promote, support and encourage the subordinates to dedicate to work. This will be related to the remuneration and reward given to the employees based on their performance.

The performance management system is a continuous process for measuring and evaluating knowledge and capabilities of personnel as well as measuring the effectiveness of the implementation of work goals which is in line with the departments and the organization. This performance management system is a tool for measuring the performance of current personnel and evaluating the readiness of personnel in terms of knowledge, the ability to be promoted which specifies knowledge level, capabilities and lacking skills for higher job levels in the future. The assessment results will be used as information for the appropriate Career Development Plan.

The Company focuses on providing fair remuneration and benefits that are comparable to other companies in the same industry. The policy of the Board of Directors put great emphasis on fair employment with the consideration on capabilities, performance based on the ability of employees in certain positions without discrimination. The Company also focuses on providing equal opportunities for women, the disabled, the disadvantaged, which take into account the principles of equality, fairness, suitable qualifications and having a commitment with the Company in order to promote career advancement and sustainable growth along with the Company. The Company sets up the remuneration management policy for employees in both short-term and long-term which in line with the organization's performance and related to the employee's performance as follows:

1. **Short-term remuneration** The Company specifies remuneration that is comparable to general rates of other organizations in the same business so as to maintain and enhance the ability to compete in human resources for the organization. In addition, the Company sets annual bonus (according to years' experience and behavior) and annual special bonus (Songkran festival) based on the Company's performance.
2. **Long-term remuneration** The Company sets the evaluation of the employees' performance and potential. The Company will pay appropriate remuneration to highly knowledgeable employees. In addition, the Company will provide Career Growth in accordance with the Company's Succession Plan. The company organizes welfare for the employees such as annual medical check, travel expense, accident insurance, group health insurance, provident fund in order to ensure security and financial guarantee for the employees after termination of employment or retirement covering family welfare such as maternity allowance, marriage allowance, funeral allowance, etc.

The Company establishes a framework for planning and controlling the remuneration budget that must be consistent with the Company's budget plan. It is considered from the Company's Ability to Pay both in short-term and long-term period. It shall have flexibility to adjust the budget plan during the year to be in line with the results of the organization in a timely manner.

Labor Protection Guideline

The Company prioritizes and focuses on Health, Occupational Safety and Environment of workplace of employees due to the different work in each function, then to set up Committee of Occupational Safety, Health and Work Environment of the Workplace by appointing one representative from employer for supervisor level and by election from employees side coming by volunteer, in order to be joint committees to formulate the operation guidelines according to the required law, work inspection, providing equipment, tools and machines for highest safety protection, facilities, in order to reduce accident or any hazard which might happen to employees during operation or external when visiting the factory. The Company also issue campaigns for employees to realize the safety during working and the process for labor protection, as well as providing medical treatment when having illness from working, etc.

Provident Fund Policy

Company has setup provident fund under the management by Kasikorn Asset Management Co.,Ltd. which is the fund management in accordance with Provident Fund Act B.E. 2530 (including additional revision) since 11 June 2002. Company has provident fund policy as follows:

1. Company selectes to invest with the reliable asset managemnet company and to formulate policy to invest in appropriate fund for employees by selecting medium risk investment (mixed stock fund not more than 25%) and low risk (Fixed Income Fund)
2. Provident Fund has been established as part of welfares to provide for employees. This is similar to increase addtiional salary from employers, to build saving displine in long term and to have large saving amount for living when retirement or resign and also can be the guarantee for family when employees pass away.

Contribution Rate and Provident Fund Contribution Rate

No.	Detail of Employee	Saving Rate (Employee)	Contribution Rate (Company)
1.	An employee with 0-10 years' experience	2.5%	2.5%
2.	An employee with 11 years' experience	3%	3%

Criteria for receiving employer contributions in case of resignation from the fund

Experience	Contribution Rate (Company)
less than 1 year's experience	0%
1 year's experience but less than 2 years'	40%
2 year's experience but less than 3 years'	60%
3 year's experience but less than 5 years'	80%
More than 5 year's experience up.	100%

Conditions for application

1. Applying is voluntary, not compulsory (after probation only).
2. While being a member, an employee can to resign from the fund but does not resign from the Company, the Company will provide an opportunity to re-apply later but only one time and the employee must resign from the fund for at least 6 months and the membership period is not continuously counted.

Labor Disputes

Company has set up the Labor Union since 2001 by registered as union No.Sor.Por.728 dated 14 February, 2001 in the name of "Apply DB Thailand Labor Union". Currently, in total of labor union committee are 15 persons by having 6 labor union committees from employees in compliance with Labor Relations Act B.E. 2518. In year 2018, Labor Union requested to change the employment conditions to the Company and had meeting negotiation till receiving the final resolution for the Memorandum of Understanding of Employment Condition dated 6 March, 2018, in which Company has registered this MOU of Employment Conditions with the Labor Protection and Welfare Office of Samutprakarn Province since 22 March, 2018. Since starting till present, Company does not have any disputes with continues to maintain good relationship with union.

Company does not have any significant on number of employees or any major labor disputes within the past 5 years.



TEAM WORK

7.6 Other Significant Information

- **Accounting Controller**

The Company appointed Mrs. Nokjinda Non-asa to hold the position of Accounting Manager to supervise the accounting of the Company. She was qualified according to the Securities and Exchange Commission (SEC) and stated by the Stock Exchange of Thailand (SET), in order to provide the quality and governance of financial report in accordance with the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) guidelines. (Information of the person holding the position of the Company's accounting controller as shown in Attachment 1)

- **Company Secretary**

The Board of Director has resolved to appoint Ms. Kanokwan Kongtanakomtunyakid to serve as Company Secretary since January 1, 2020, the qualification and information of the person holding the position as the Company Secretary as shown in Attachment 1.

- **Head of Internal Audit or the Outsourced Internal Auditor**

The Company has assigned Ascent Advisory Co.,Ltd. to be Internal Auditor of the Company in order to audit the compliance according to the regulation of the official agencies governing the Company's business operations (Information of the Head of Internal Audit as shown on Attachment 3).

- **Head of Investor Relations and Contact Information**

The Company has assigned Ms.Kanokwan Kongtanakomtunyakid to hold position of Head of Investor Relations of the Company in order duties to communicate with shareholders and other stakeholders such as investors, analysts as appropriate, equally and in timely manner. The qualification and data of the person hold a position of Company Secretary as shown on Attachment 1.

- **Auditor Remuneration**

The Company has selected KPMG Phoomchai Audit Ltd. to be auditor of the Company for 2021, in order to audit and inquire the correctness of the Company's financial statements in accordance with the auditing standards in order to certify the Company's financial statement that has been prepared without any significant errors and has been prepared accordance with general accepted accounting principles. However, the auditors had no relationships or any interest with the Company/Subsidiary/Top Management/Major Shareholders or any person related to such person. Therefore, they were independent in auditing and expressing their opinions on the Company's financial statements. The audit fee is as follows:

Audit Fees	Year 2019	Year 2020	Year 2021
Audit Fee	2,380,000	2,430,000	2,300,000
Other Fee	-	-	-
Total	2,380,000	2,430,000	2,300,000

8. Report on Key Operating Results Related to Corporate Governance.

8.1 Summary of the performance of the Board of Directors in the previous year.

In 2021, the Board of Director has considered has considered and reviewed strategies, targets, and corporate structure and direction of the Company's business operation as appropriate and conform with the business operation during the outbreak of COVID-19, in order for management and staffs to have the same aim to operate in the same direction, including monitoring to implement the corporate strategies to comply with the policy, rule, and relevant law and regulations, as well as supervising the adequacy of the internal control system and enterprise risk management as appropriate level, under the legal framework, objectives and to express opinion beneficial to corporate development. In year 2021 arranged the Board of Director meeting for 7 times. Every director performed own self duties and responsibilities with full power and capabilities, and with honesty and care, and focusing on highest advantage of the Company in which to be responsible to the shareholders and all stakeholders.

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

Nomination of Independent Directors

The Board of Directors assigns the Executive Committee to act on behalf of the Nomination and Remuneration Committee and determine the compensation while the Company does not have such committee. This committee is responsible for considering, selecting, and screening qualified persons according to the Company's regulations and nominating qualified persons so that the Company can have professional and diverse directors. The structure, size and board composition are considered to propose to the Board of Directors for approval. The list of such directors will be presented in the shareholders' meeting to elect the directors according to the rules. In addition, the shareholders are given an opportunity to participate in the nomination of qualified directors. In voting for directors, the Company allows the shareholders to use ballots to elect directors individually. The shareholders are allowed to cast the votes to elect the persons nominated as directors one by one. Each director must receive more than half of the total votes of the shareholders who attend the meeting and have the right to vote.

Then, the Board of Directors will consider the qualifications of the persons who will serve as independent directors by considering the qualifications and prohibited characteristics of directors under the Public Limited Companies Act, Securities and Exchange Laws, Notifications, Regulations and/or relevant rules. In addition, the Board of Directors will consider and select independent directors from qualified persons who have work experience and other suitability. The selected persons will be proposed in the shareholders' meeting for consideration and appointment as the Company's Directors. In this regard, the Company has a policy to appoint independent directors at least one third of the total number of committees and must not be less than 3 members. An independent director must possess all the qualifications as defined as follows:

- 1) Hold shares not more than 1% of the total shares with the voting right for the Company, the parent company, the subsidiary, the associated, or juristic person of persons who may have conflicts of interest. This includes shares held by related parties.

- 2) Is not a person who is or was a director who takes part in the management, or an employee, an advisor who receives a regular salary or a person with authoritative control of the Company, the parent company, the subsidiary, the associated, the same-level subsidiary or juristic person who may have conflicts of interest unless such status has been terminated at least 2 years prior to the date of submission of a permission request to the SEC.
- 3) Is not a person who possess a relationship by blood or by legal registration in the form of father, mother, spouse, siblings, and children including spouses of children of executives, major shareholders, persons with authoritative control or persons who will be nominated as the Company's executive or persons with authoritative control of the Company or of a subsidiary.
- 4) Do not have or had a business relationship with the Company, the parent company, the subsidiary, the associated or juristic person that may have conflicts of interest in a manner that may obstruct the exercise of independent judgment including a person who is not or was a major shareholder, a director who is not an independent director or an executive of a person who has a business relationship with the Company, the parent company, the subsidiary, the associated or juristic person who may have conflicts of interest unless such relationship has been terminated at least 2 years prior to the date of submission of a permission request to the SEC.
- 5) Is not or was an auditor of the Company, the parent company, the subsidiary, the associated or juristic person who may have conflicts of interest and is not a major shareholder, a director who is not independent directors, executive or managing partner of the audit firm for which the auditor of the Company, the parent company, the subsidiary, the associated works for or juristic person who may have conflicts of interest unless such status has been terminated at least 2 years prior to the date of submission of a permission request to the Office.
- 6) Is not or was a professional service provider of any kind including services as a legal or financial advisor who receives service fee of more than 2 million baht per year from the Company, the parent company, the subsidiary, the associated, or juristic person who may have conflicts of interest. In the case when a professional service provider is a juristic person, it shall include being a major shareholder, a director who is not independent director, an executive or managing partner of such professional service provider unless such status has been terminated at least 2 years prior to the date of submission of a permission request to the Office.
- 7) Is not a director who has been appointed as a representative of the Company's directors, major shareholder or shareholders related to the Company's major shareholders.
- 8) Do not have any characteristics that obstruct independent opinion expressing on the Company's operations.
- 9) Do not operate a business with the same nature and in significant competition with the business of the applicant or the subsidiary or is not a significant partner in a partnership or is a director who takes part in the management, or an employee, staff, a consultant who receives a regular salary or holds more than one percent of the total shares with voting right of other companies which operate businesses with the same nature and with significant competition of the applicant or the subsidiary.

- 10) Each independent director can hold the position of an independent director for a period of not more than 9 consecutive years (When the 9 year term of office has ended, but the Board of Directors wishes to appoint such independent director to hold the position again, it is possible to proceed if such person is still independent according to the definition of an independent director).

Nomination of Directors and Top Management

The Board of Directors assigns the Executive Committee to act on behalf of the Nomination and Remuneration Committee and determine the compensation while the Company does not have such committee. This committee is responsible for considering the selection and determination of the compensation for the Company's Directors, Chief Executive Officers, Managing Directors, Top Management and Company Secretary and initially considering the qualifications appropriate to the context of the business and present such persons to the Board for approval. Selecting the Company's Directors, the Committee considers, screens and recruits persons with complete qualifications, appropriateness, knowledge, abilities, skills and experiences that are beneficial to the Company's operations as well as having the understanding of the Company's business very well and being able to manage the work to achieve the goals set by the Board of Directors.

Nomination the Committee, persons with qualifications according to the Company's regulations are considered and nominated so that the Company can have professional and diverse directors. The nominated persons must not possess prohibited characteristics as prescribed by the Securities and Exchange Commission (SEC). The structure, size and board composition are considered to propose to the Board of Directors for approval. The list of such directors will be presented in the shareholders' meeting to elect the directors according to the rules. In addition, shareholders are given an opportunity to participate in the nomination of qualified directors. In voting for directors, the Company allows the shareholders to use ballots to elect directors individually. The shareholders are allowed to cast the votes to elect the persons nominated as directors one by one. Each director must receive more than half of the total votes of the shareholders who attend the meeting and have the right to vote.

Performance Assessment of the Board of Directors and Top Management of the Company

The Company established to provide performance assessment of the Board of Directors, the Sub-Committee of each group and each personnel, including performance assessment of Chief Executive Officer at least once a year, in order for the director to consider to review the performance, problems and other obstructions during the past year. The assessments were provided into 3 types; 1) self-assessment by the whole Board of Directors 2) self-assessment of the Sub-Committee of each group and 3) self-assessment of the Sub-Committees of personnel, had the assessment principles to conform with the self-assessment of the Stock Exchange of Thailand (SET).

The performance assessment result of the director and Sub-Committees of 2021 can summarize the performance assessment in general as follows:

- **Performance Assessment of the Board of Director (the whole group)**

The self-assessment of the Board of Directors in general consists of 6 main categories; 1) structure and qualification of the directors 2) roles, duties and responsibilities of the directors 3) directors meeting 4) director's duties 5) relationship with the management 6) self-development of director and management development

In 2021, the performance assessment result of the Board of Directors (group) gained in average of 94.73% in Excellent Level.

- **Performance Assessment of Each Director (Self)**

Performance assessment of each director (self) has have the assessments which consists of 3 main categories; 1) structure and qualification of director 2) directors meeting 3) role, duties and responsibilities of directors.

In year 2021, the performance assessment of each personnel (self) gained in average 90.83% in Excellent Level.

- **Performance Assessment of Sub-Committee (each Sub-Committee)**

The Board of Director has evaluated performance of all 4 Sub-Committees; Audit Committee, Executive Committee, Corporate Governance Committee, and Risk Management Committee. However, the Company did not appoint the Nomination and Remuneration Committee, the Board of Director assigned the Executive Committee to perform duties instead of the mentioned Sub-Committees. For the Corporate Governance Committee was served by the Board of Directors, so still did not appoint the mentioned Sub-Committees also.

In order to implement the performance assessment result to improve and develop the performance of the Sub-Committees effectively, then classified the assessment subjects into 3 main categories; 1) Structure and qualification of the Committee 2) Committee Meeting 3) Roles, duties and responsibilities of the Committee, the result of assessment summarized as follows:

- **Audit Committee** performance assessment result gained in average of 96.79% in Excellent Level.
- **Executive Committee** performance assessment result gained in average of 86.67 % in Very Good Level.
- **Risk Management Committee** performance assessment result gained in average of 97.50 % in Excellent Level.

- **Performance Assessment of Chief Executive Officer**

Performance Assessment of Chief Executive Officer consists of 10 assessment subjects; 1) Leadership 2) Strategy Establishment 3) Strategic Compliance 4) Planning and Financial Result 5) Relationships with Directors 6) Relationships with External 7) Management and Relationships with Personnel 8) Succession 9) Product and Service Knowledge 10) Personal Attributes. The performance assessment result to be considered for the appropriate remuneration in next year.

In 2021, the performance assessment result of Chief Executive Officer gained in average of 96.47 % in Excellent Level. The most director has opinioned that Chief Executive Officers has performed his duties well.

Development of Directors and Top Management

The Company has focused to participate in the seminar in several relevant training courses for directors and Top Management in order to develop knowledge and competency continually to make the operation of the

Directors and Top Management more efficient, including implementing the knowledge and competency to communicate with the personnel in enterprise to implement also.

Director's Training

The company encourages all directors to attend training courses in accordance with the recommendations of the Office of the Securities and Exchange Commission. Organized by the Thai Institute of Directors Association (IOD) such as Directors Accreditation Program (DAP), Directors Certification Program (DCP), Audit Committee Program (ACP) etc. Currently, most of the company's directors have passed that training course. However, the company secretary will inform in providing additional training courses to all directors includes new directors regularly.

In addition, the company encourages the company secretary to attend various courses and listen to dialogue on issues related to the situation organized by the Securities and Exchange Commission, the Stock Exchange of Thailand, the Thai Listed Companies Association and other related departments on a regular basis for efficient work.

8.1.2 Meeting attendance and remuneration of individual committees.

The Board of Directors has set up a fair and reasonable remuneration policy for its Directors in accordance with good corporate governance principles. There is a review appropriateness and in accordance with the Company's financial status Compare to businesses that are in the same industry and are of similar size. the principles and policies approved by shareholders, the results of annual board performance assessment, as well as each Director's responsibilities. as well as each Director's responsibilities.

Directors' remuneration must be approved by the shareholders. At the 2021 Annual General Meeting of Shareholders, held on April 21, 2021, shareholders passed a resolution approving the 2021 remuneration of Directors and Directors to Sub-Committees as follows:

• Information of Board Meeting attendance in 2021.

Name of Directors	Meeting						
	AGM	EGM	Board of Director	Audit Committee	Risk Management Committee	Investment Advisory Board	Executive Committee
1. Mr.Pawat Wongtangtrakul	1/1	2/2	7/7	-	-	-	-
2. Mr.Wang Wanapaisan	1/1	2/2	7/7	-	2/2	-	6/6
3. Mr.Rattanachai Wongcharoensin	1/1	2/2	7/7	-	-	-	-
4. Ms.Pompiwan Niramomcherdchay	1/1	2/2	7/7	-	2/2	-	6/6
5. Mr.Wei Kai Wang	1/1	2/2	7/7	-	2/2	-	6/6
6. Mr.Veerachai Wongcharoensin	1/1	2/2	7/7	-	2/2	-	6/6
7. Mr.Wuttichai Wongcharoensin	1/1	2/2	7/7	-	2/2	-	5/6
8. Dr.Mongkon Laoworapong	1/1	2/2	7/7	4/4	2/2	1/1	-
9. Asst.Prof.Dr.Monpilai H.Narasingha	1/1	2/2	7/7	4/4	2/2	1/1	-
10. Mrs.Kanchana Piyasatit	1/1	2/2	7/7	4/4	-	-	-
11. Mr. Yang Chung Jen	1/1	2/2	7/7	-	-	-	-

Remark : Number of meeting times / Number of meetings held.

• Individual Board Remuneration in 2021

Directors' remuneration consists of monthly remuneration and meeting allowances of the Board of Directors and Sub-Committees. Which is paid according to the number of times participating in the meeting in 2021, separated by individual, details are as follows:

(1) Remuneration in Cash

Name of Directors	Board of Directors' Remuneration (Baht)						
	Position	Board of Director	Audit Committee	Risk Management Committee	Investment Advisory Board	Executive Committee	Total
1. Mr.Pawat Wongtangtrakul	Chairman of the Board	330,000	-	-	-	-	330,000
2. Mr.Wang Wanapaisan	Executive Directors	105,000	-	30,000	-	-	135,000
3. Mr.Rattanachai Wongcharoensin	Non-Executive Directors	315,000	-	-	-	-	315,000
4. Ms.Pompiwan Niramongcherdchay	Executive Directors	105,000	-	30,000	-	-	135,000
5. Mr.Wei Kai Wang	Executive Directors	105,000	-	30,000	-	-	135,000
6. Mr.Veerachai Wongcharoensin	Executive Directors	105,000	-	30,000	-	-	135,000
7. Mr.Wuttichai Wongcharoensin	Non-Executive Directors	105,000	-	30,000	-	600,000	735,000
8. Dr.Mongkon Laoworapong	Independent Director	105,000	315,000	30,000	15,000	-	465,000
9. Asst.Prof.Dr.Monpilai H.Narasingha	Independent Director	105,000	270,000	30,000	15,000	-	420,000
10. Mrs.Kanchana Piyasatit	Independent Director	105,000	270,000	-	-	-	375,000
11. Mr. Yang Chung Jen	Independent Director	315,000	-	-	-	-	315,000
Total		1,800,000	855,000	210,000	30,000	600,000	3,495,000

Remark :

1. Such remuneration does not include remuneration as executives.
2. Monthly compensation Pay only for non-executive directors.
3. Directors and independent directors who serve as directors in several sub-committees will only receive the highest rate of remuneration for one committee.
4. No other benefits to the directors besides the compensation.

(2) Other Remuneration

- None

8.1.3 Subsidiary and Associated Governance

The Company will invest in companies with the same business objectives as the Company's core business or businesses having similar nature or businesses supporting the Company's business which increases the Company's operating results or profits or invest in a business that provides benefits (Synergy) to the Company which can support the Company's core business operations to be more comprehensive to increase competitiveness.

To supervise subsidiary and/or associated, the Company will send directors or executives with qualifications and experience suitable for business operations to be the representatives to manage the businesses of subsidiary and/or associated to set important policies and control the business operations of such subsidiary and/or associated. In this regard, the directors who are the representatives of the Company must be responsible for supervising the subsidiary and/or the associated to manage or carry out various tasks according to the Company's policy as well as considering matters in accordance with the resolution of the Board of Directors' meeting that approves important matters of the subsidiary and/or the associated to maximize the benefits of the Company and for the sustainable growth of the Company.

The Company has assigned 2 directors and 1 executive to be the directors in the subsidiary named ADB Bio Company Limited, which was established on September 7, 2021. Such directors and executive have been approved by the Board of Directors' meeting. In this regard, if such directors and executive retire from being the directors of ADB Bio Company Limited, the Board of Directors will consider assigning directors and executives to take care of their interests from time to time.

8.1.4 Monitoring Corporate Governance Policies and Practice.

The Company emphasizes on the importance to good corporate governance which is an essential mechanism leading to an efficient, transparent, and verifiable management system. This will help build reliability and confidence to shareholders, investors, stakeholders, and all related parties. Good corporate governance will be a tool to add value, build competitiveness and promote the sustainable growth of the Company. Therefore, the Company follows up this to ensure that the corporate governance policy is strictly complied. In 2021, the Company provided enhancement and communication of information to the directors, the executives, and the employees at all levels throughout the organization. The directors, the executives and the employees of the Company have complied with the corporate governance policy and business ethics. Regular follow-ups are made.

In addition, the Company must follow up good corporate governance practice in 4 areas as follows:

(1) Prevention of Conflicts of Interest

The Board of Directors has been aware of potential conflicts of interest. The Company has strictly complied with the rules and guidelines of the Securities and Exchange Commission of Thailand. The Audit Committee considers the purchase and sale transactions of the Company between related persons on a quarterly basis and presents the results and opinions to the Board of Directors. Guidelines to prevent benefits arising from connected transactions or from business operations or having interests in performing duties are provided. The Directors or the Executives of the Company must practice and report their stakes. In the event when a director who has conflicts of interest in an item or a matter, that director must not participate in considering the agenda and has no right to vote on such matter. Considering the results of the performance in 2021, the Board of Directors and the Executives have properly complied with the rules. The Board of Directors has considered the policy on related transactions and measures to prevent conflicts of interest and approved that it is appropriate. Therefore, it has been considered as a guideline to be used for further work.

Measures for Managing Conflicts of Interest

- The Company has developed a policy to prevent conflicts of interest and has considered the appropriateness of the content and can still be appropriately enforced.
- The Company provides continual knowledge to the Management and the employees of the Company so that all employees can access to policies and information that help identify and disclose conflicts of interest as well as educating the Executives and the employees on how to manage and prevent conflicts of interest and disseminating policies on the intranet and on the Company's website.
- For the Directors or the employees who wish to be directors or advisors of the Company or of other business organizations or associations, holding such positions shall not have conflicts of interest and not obstruct direct performance of the Company. They must inform the Board of Directors before taking such positions in other organizations.

- During the year, the Directors and the Executives trade in the Company's shares and report in accordance with the rules on the use of insider information. The increase-decrease rate of each person's shares does not significantly change their holdings.
- The Company reviews the list of Directors, Executives, and related parties every year to review related business operations which may have conflicts of interest with the Company. No conflicts of interest have been identified.

(2) Use of Insider Information for Exploitation

The Company has policies and procedures for supervising the Directors and the Executives in using the Company's insider information which has not yet been disclosed to the public for exploitation. The Company provides knowledge to the Directors and the Executives of the Company and its subsidiaries about their duties in preparing and disclosing the Company's securities holding reports of themselves, their spouses and underage children as well as preparing and disclosing a report on securities holding and a report on the change in the Company's securities holding and submit the reports to the Office of the Securities and Exchange Commission ("SEC") within 3 business days from the date of purchase, sale, transfer or transfer of securities. In addition, the Secretary Office of the Company submits a written notice of the suspension of trading the Company's shares via emails of the Directors, the Executives, and related persons at least thirty (30) days prior to the public disclosure and at least 24 hours after the public disclosure. Disclosure of such material information to other persons is prohibited. The Company prescribes disciplinary penalties if there is a violation of using insider information for exploitation, starting from a written warning, wage cut, temporary suspension without pay or dismissal. The punishment will be determined based on the intention of the act and the severity of the offense. A person who commits an offense may also be subject to penalties under the prescribed law.

In 2021, the Directors and the Executives under the definition of the Office of the Securities and Exchange Commission ("SEC") have a duty to prepare and disclose the Company's securities holding reports of themselves, their spouses, and underage children, comply with the corporate governance policy and the use of insider information as specified by the Company as well as reporting the securities holdings and changes in the Company's securities holdings to the Office of the Securities and Exchange Commission ("SEC Office") within 3 business days from the date of purchase, sale or transfer securities as prescribed by the Securities and Exchange Commission ("SEC").

(3) Anti-Corruption

The Company has strict measures and actions to prevent and fight against corruption. The Company strictly adheres to the principles of continuous anti-corruption policy and encourages the Executives, the employees, and involved persons to be aware of corruption that may occur in the Company as well as recognizing the importance of anti-corruption process. Regular reviews on the anti-corruption policy practice and on guidelines and operating requirements are performed to respond to changes in business conditions, rules, regulations, and legal requirements.

Based on the communication about anti-corruption policy and whistleblowing with the employees, the Executives and the stakeholders, they are encouraged to submit documentary evidence directly to the Directors, the Chief Executive Officers, the Finance and Accounting Director, the Human Resources Manager, the Company Secretary via mails, e-mails, telephone or comment box in several locations provided by

the Company. This enables those who observe clues about corruption and unfair treats in various matters to report such matters. Over the past year, auditing internal control by both internal audit unit and the Company's auditor has not been reported corrupt.

The Company is in the process of requesting to participate in Thai Private Sector Collective Action Against Corruption, also known as CAC.

(4) Whistleblowing

The Company has established measures and provided channels for both internal and external stakeholders as well as the employees and several groups of stakeholders. They can report clues or file complaints including corruption, suspected acts of violating laws, rules, regulations, and codes of conduct that affect economy, society and environment or policies, violations of law and unfair practices, any acts that may cause damage to the Company, defects in goods or services, suggestions and other complaints related to the Company. The Company has established measures to protect and maintain confidentiality of complainers and measures to heal those who have suffered from the Company's operations.

In the previous year, no complaints about corruption or violations of the Company's corporate governance policy have been reported.

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

• Information on attendance of the Audit Committee in 2021

Name	Position	Meeting Attendance
1. Dr.Mongkon Laoworapong	Chairman of the Audit Committee	4/4
2. Asst.Prof.Dr.Monpilai H.Narasingha	Audit Committee	4/4
3. Mrs.Kanchana Piyasatit	Audit Committee	4/4

• Performance Assessment of Audit Committee in year 2021.

Actions of the Audit Committee during the year 2021 are as follows:

1. Financial Report Review

The Audit Committee has reviewed the accuracy and reliability of the financial reports consisting of quarterly financial statements and annual financial statements by the auditors from KPMG Phoomchai Audit Ltd. The auditors did not find any issues, problems, or significant deficiencies in these matters as well as in reports from internal auditors on critical work processes. In addition, the auditors are invited to attend the meeting to consider the scope, guidelines and annual audit plans and to inquire about the correctness and completeness of the adjustments of important accounting transactions according to accounting standards, adequacy of disclosure, effectiveness of the internal control system necessary to prepare the financial statements and the suitability of accounting records to ensure that the financial statements are in accordance with generally accepted accounting standards. A meeting with the auditors without the Management is organized for 4 quarters to ensure that the auditors are free to report problems and obstacles in their performance of duties or to report any incidents or abnormality found to the Independent Director This is for the benefit of users of the financial statements.

2. Assessment and Review of the Internal Control System

The Audit Committee has reviewed the internal control system from the audit report prepared by external auditors and internal auditors. The system assessment according to the laws and regulations of the Securities and Exchange Commission of Thailand is reviewed. Useful suggestions on general commercial terms are given. The focus is on the compliance with the relevant rules and enabling the Management to perform duties with fairness, no transfer of interest and this shall be under the principles approved by the Company's Directors.

3. Review of Whistleblowing about Corruption and Complaints

The Audit Committee has reviewed the whistleblowing process to provide opportunities and increase efficiency in complaining and whistleblowing about corruption as well as receiving information about inappropriateness of financial reports or ethical issues. In the past year, the Audit Committee has not received any reports about corruption complaints or fraudulent information or inappropriateness of financial reports or other unethical matters.

4. Compliance and Policy Monitoring

The Audit Committee has reviewed the Company's operations so that the operations can proceed in accordance with the laws on securities and stock exchange including the laws related to the Company's business operations. Non-compliance with the laws mentioned are reported.

Furthermore, the Audit Committee has been informed about the changes and amendments of the important policies related to the Company's business operations from the presentation by the Management in the quarterly meeting. The Audit Committee provided comments and recommendations on the important matters to the Company to ensure that the Company has constant readiness for changes as well as proper allocation of resources in terms of personnel and budget. Especially in the situation of the COVID-19 pandemic, the Audit Committee has important opinions regarding the Company's personnel planning. The personnel's skills shall be strengthened and maintained. The Company's strategy shall be adjusted to keep up with the changing employment, and marketing where consumer behavior has changed and is unstable.

5. Auditor Selection and Appointment

The Audit Committee considers independence, knowledge and understanding of the Company's business, quality of work and qualifications of auditors as well as the appropriateness of the audit service fee. The Company agrees to have the auditors from KPMG Phoomchai Audit Ltd. in 2020 consisting of the following certified auditors: Ms. Sawitree Ongsirimongkol, Certified Public Accountant No. 10449 and/or Mr. Yuthapong Soontarinka, Certified Public Accountant No. 6112 and/or Mr. Sumet Jangsamsee, Certified Public Accountant No. 9362, who sign in the Company's financial statement audit report. They are qualified according to the requirements and approved by the Office of the Securities and Exchange Commission. None of the auditors has performed auditing duties for the Company more than 7 consecutive years.

6. Internal Auditor Selection and Appointment

The Audit Committee considers independence, knowledge and understanding of the Company's business, quality of work and qualifications of internal auditors as well as the appropriateness of the internal audit service fee. The Company agrees to have Ascent Advisory Company Limited by Mr. Narongsak Wangthaphan to be the head of the internal audit.

7. Performance Assessment by Individual, Self-Assessment and Review of the Charter in accordance with Responsibilities

The Audit Committee considers individual and group self-assessments. The audit duties in the context of the Company according to the Audit Committee Manual prepared by the Securities and Exchange Commission, the Stock Exchange of Thailand and the Company's Audit Committee Charter are reviewed. According to the annual assessment results in 2021, it was found that the Audit Committee performed in accordance with their duties and responsibilities. The score of individuals was better than that of the previous year with an increase of 6.85 percent.

8. Summary of Overall Opinions of the Audit Committee on the Company's operations in Different fields

The Audit Committee has performed its duties as stipulated in the Audit Committee Charter approved by the Board of Directors with knowledge, abilities, awareness, carefulness, and independence and has given opinions and suggestions in a constructive way for the maximum benefit of the stakeholders. Good cooperation from relevant departments and personnel of the Company has been given. In 2021, all independent directors had the opportunity to join the meeting without other directors. The Chief Executive Officers were invited to attend the meeting to acknowledge various operational guidelines during the situation of the COVID-19 pandemic and the Company situation. Actual and useful information was provided.

The Audit Committee stated that the Company's financial reports were prepared in accordance with generally accepted accounting principles and were accurate, complete, and reliable as necessary in material matters according to accounting standards. Regarding the connected transactions, it was found to be reasonable and be maximum benefits for the Company. There was sufficient information disclosure which was complete and reliable and there was sufficient and effective internal control system. The relevant policies were complied with, and no significant deficiencies were reported.

8.3 Summary of the performance of other Ssub-Committees

Risk Management Committee

• Information on attendance of the Risk Management Committee in 2021.

Name	Position	Meeting Attendance
1. Dr.Mongkon Laoworapong	Chairman of the Risk Management Committee	2/2
2. Mr.Wang Wanapaison	Risk Management Committee	2/2
3. Ms.Pornpiwan Niramondchay	Risk Management Committee	2/2
4. Mr.Wuttichai Wongcharoensin	Risk Management Committee	2/2
5. Asst.Prof.Dr.Monpilai H.Narasingha	Risk Management Committee	2/2
6. Mr.Wei Kai Wang	Risk Management Committee	2/2
7. Mr.Veerachai Wongcharoensin	Risk Management Committee	2/2
8. Mr.Piriya Muangkram	Risk Management Committee	2/2

• Performance Assessment of Risk Management Committee in year 2021.

In 2021, Risk Management Committee has arranged the meeting 2 times, all committees attended all meetings each meeting. In order to prevent the spreading of COVID-19, for the 2 times meeting were arranged via ZOOM system. The Risk Management Committee was responsible for determining and reviewing the organizational risk management framework, risk management policies and processes in accordance with the roles and duties in the Risk Management Committee Charter and proposed guideline for appropriate risk management with efficient business operation conforming with Strategic Directions, Operations and Business Plans, Including Supporting and Continually and Efficiently Development the risk management in all levels throughout the organization according to the international standard in order to create a corporate culture. The key points of each meeting in year 2021 can be summarized as follows:

1. Approved the 2021 annual risk management plan and the strategic risk management plan for each business operation, especially the situation of the COVID-19 epidemic that affected the entire value chain of the Company, market, the situations of the customers, business partners, and fluctuating raw materials purchase prices, shortage of critical raw materials, increased shipping costs, including the cost of health care for employees. There were the key risk factors for business performance.
2. Approved the risk assessment in the COVID-19 epidemic situation on the issue of preventing outbreaks affecting employees, contractors, and internal operations, in order to ensure the safety and not disrupt the business operation.
3. Approved the organizational risks, measures, and effectiveness indicator of risk management of previous year and assessment result of next year before presenting to the Board of Directors for approval and acknowledgement the risk management plan for BIO Plastic Project and Non-Solvent Base Adhesive Products.
4. Approved the risk and risk management plan of the hazardous chemical storage accident management by focusing on the incident caused by the chemical factory fire and spreading until the chemical explosion of the Company in Bang Phli District, and there was the resolution that the Company to implement ISO45000 covering all 4 factories, with the goal of having the standard certified by external agencies within 2022.
5. Approved and assess emerging risks, major risks that may occur in 3-5 years that stakeholder have concern and expected the Company's mitigation. The Committee has considered the issue of Climate Management Action Plan, Resources Management, and the disclosure of One Report in accordance with the Global Reporting Initiative (GRI) standard that outlined the key indicators. The performance was achieved in accordance with the Sustainable Development Goals (SDGs), which the Company has asked the management to create a short-term plan, long-term plan according to the evaluation results.
6. Review the Risk Management Committee Charter and Risk Management Policy for approval the practical guidebook 4 main revisions such as Anti-Corruption, Risk Management guidebook, Whistle blowing and Complaint management guidebook, and Business Continuity Plan guidebook.

By conclusion, Risk Management Committee has opinion in year 2021, the Company has developed the Risk Management continually and conform with the change situation by arranging the Risk Management Meeting as appropriate. When there were important and urgent risks, the Risk Management Working Group has

managed them in a timely manner and has reported according to the steps of command according to the practice that have been prepared. This resulted in the effectiveness of risk management, risk control management in the enterprise efficiently, appropriately and in risk appetite.

Investment Advisory Board Committee

- Information on attendance of the Investment Advisory Board Committee in 2021.

Name	Position	Meeting Attendance
1. Dr.Mongkon Laoworapong	Chairman of the Investment Advisory Board Committee	1/1
2. Asst.Prof.Dr.Monpilai H.Narasingha	Investment Advisory Board Committee	1/1

- Performance Assessment Result of Investment Advisory Committee in 2021.

In the past year, the Investment Advisory Committee has considered the investment guideline and appropriateness for setting up the subsidiary company for research, develop and distribute bioplastic, including considering the subsidiary company to develop the mentioned Bioplastic product in order to propose to the Board of Director for further setting up the subsidiary company.

Executive Committee

- Information on attendance of the Executive Committee in 2021.

Name	Position	Meeting Attendance
1. Mr.Wang Wanapaison	Chairman of the Executive Committee	6/6
2. Mr.Wei Kai Wang	Executive Committee	6/6
3. Mr.Kang Hsu Liu	Executive Committee	6/6
4. Mr.Wuttichai Wongcharoensin	Executive Committee	5/6
5. Mr.Veerachai Wongcharoensin	Executive Committee	6/6
6. Ms.Pornpiwan Niramoncherdchay	Executive Committee	6/6
7. Mr.Piriya Muangkram	Executive Committee	5/6
8. Mr.Jirawat Akkaranupornpong	Executive Committee	6/6

- Performance Assessment Result of Executive Committee in 2021.

Executive Committee has considered and scrutinized the business plan and annual budget in order to comply with the Company's policy and target, including monitoring the management of the executives in accordance with the policy, business operation and annual budget as stated closely. Moreover, still considering the nomination and selection of the Board of Directors, Sub-Committees retirement due to end of term, including set up remuneration for Director, Sub-Committee and remuneration of Top Management of the Company by comparing with business in the same industries and similar size as appropriate to the obligations and liabilities.

9. Internal Control and Related Party Transactions

9.1 Internal Control

The Board of Directors and the Management have established the organizational structure for management, roles and duties of those involved as well as the authority to consider and approve different matters to ensure that the Company has an internal control system that promotes effective achievement of objectives and operations in accordance with the framework of relevant laws and standards, able to manage the business according to the business plan, budget approved and track reports to achieve the vision and mission set under the principles of corporate good governance.

The Company has established good corporate governance policies, codes of ethics and operational guidelines. These include code of conduct, management and staff, risk management policy, anti-corruption policy, use of insider information policy and whistleblowing and complaint policy which were first established when the Company was listed in the “mai” stock market in 2016.

The Company has published the policies on the Company’s website and on the Company’s intranet system and communicated with the employees at all levels through an annual training process, an orientation for new employees and testing educational activities by answering an annual questionnaire. This is to enable the employees to realize the importance of maintaining business ethics toward their duties and public responsibilities.

9.1.1 Risk Assessment

In 2021, the Risk Management Committee developed a Risk Profile Assessment Table showing the level of Impact and Likelihood, a comprehensive risk monitoring covering Strategic Risk, Operational Risk, Financial Risk and Compliance Risk on an annual basis. There is a follow-up review in 2021. There are 2 follow-up meetings and there is the communication with the Risk Owners and the Executives in each department to build awareness of risk and preventive approaches, which is an important development that everyone must cooperate in risk management.

In 2021, there was a fire situation at Bang Phli industrial factory and spread out until it was a chemical explosion. Therefore, the Company has a policy to request for certification of safety standards: ISO45001:2018. The Management was assigned to come up with an operational plan and the Company shall be certified by 2022. The training among the Directors, the Senior Management and the employees involved in risk management of chemical plants and flood management in industrial estate was organized through Zoom Program on November 22-23, 2021. The Company considered additional corruption risk and the risk of BCP Working Group in preventing the spread of COVID-19. During the year, suspension of the operations caused by internal infection was not found. There was a 10% leave due to illness or quarantine of the employees. Other risks were managed at a satisfactory level.

9.1.2 Control Activities

The Company has established written policies and procedures and covers various processes appropriately in terms of financial transactions, procurement and general administration of all work systems. The scope of work, the authority and the approval order at each level have been clearly defined according to the organizational structure and operational authority. The duty of approval is separated from the duty of recording accounts and information and from the duty of maintaining the assets to balance and check each other.

The internal control has been provided through policies, operating procedures, written work manuals or guidelines so that the established policies can be practical, and the risks can be managed to achieve the objectives set by the Company. The Company's internal control activities will be applied at all levels of the organization. The prepared documents can be passed on from generation to generation as a pattern or standard of work.

9.1.3 Information & Communication

The Company prepares the information used in its operations. Such information must be quality information from inside and outside the organization to support the operations and internal control so that the Company can proceed as specified. The information must be accurately, appropriately, and sufficiently communicated with the employees at all levels for the performance of work.

For the shareholders' meeting, meetings of the Board of Directors and meetings of several subcommittees, the Company provides the shareholders, the Directors, the Executives, and the stakeholders with accurate information which is sufficient to make a decision in a timely manner. The Company always operates with completeness and has set out guidelines for managing stakeholders in the good corporate governance policy.

In addition, the Company has established a mechanism for receiving complaints through several channel from internal and external sources such as informing a supervisor directly, informing a director, sending an email to the Company's Investor Relations Department. A whistleblower may be disclosed or remains anonymous. The full version of the use of insider information policy and the whistleblowing policy can be read through the QR Code below.



9.1.4 Monitoring Activities

The Company monitors and evaluates the results of internal control to ensure that the internal control system is operated completely and appropriately through the continuous monitoring and evaluation and is performed by internal auditors who are independent from outside. The auditors examine the facts of the operations with standardized auditing principles of each work system under each business unit, which functions appropriately and efficiently. This is also to prevent conflicts of interest that may arise between the Company and the Management, the Board of Directors, or the shareholders, to prevent unreasonable use of assets, the Company's information, and chances and to make transactions with those related to the Company in a beneficial way.

At monthly management meetings, the Company monitors the goals and supervises the implementation of the plans stated in the annual budget approved by the Board of Directors and reports the progresses or changes that does not follow the plan. If significant deficiencies are discovered, the Executive Committee and the Chief Financial Officer must report to the Board of Directors and/or the Risk Management Committee and/or the Audit Committee to clarify the causes and the solutions without delay.

Opinions of Internal Auditors about the Company's Internal Control System

The Company has hired the internal auditors with professional service provision which is Ascent Advisory Company Limited. This company has professional experience in the field of internal auditing and has qualified personnel sufficient to provide services to the Company. For the system auditing according to the specified time frame in 2021, the auditors assessed the sufficiency of the internal control system in 5 topics as mentioned above and reported to the Audit Committee. The Audit Committee presented it to the Company's Directors on a quarterly basis. Any items proposed for improvement were communicated to the Management for revision and continuous monitoring. The results of the annual audit revealed that several issues were continually improved, and the remaining issues were at low priority.

In addition, the auditors had no significant remarks on the lack of internal control or the ability to protect the Company's assets from the wrongful or unauthorized use by the Management or the employees. The auditors stated that the Company's financial reports were accurate, reliable and consistent with generally accepted accounting standards and in accordance with financial reporting standards.

9.2 Related Party Transactions

1. A party who may have conflicts of interest and relationship.

The company proceeds connected transactions with a party who may have conflicts of interest including the Board of Directors, shareholders, management and related companies which refer to any companies that have a party who may have conflicts of interest with the Company and is related to Board of Directors, management and shareholders. The relationships can be summarized as follows:

Party / Juristic Person who may have conflicts of interest	Relationships
CPL Group Public Company Limited	<ul style="list-style-type: none"> - Manufacturer and distributor of finished leather products and safety equipment and personal protective equipment - Share the same director who is Mr. Mongkol Laoworapong. - Have shareholders who are Mr.Manit Wongcharoensin, Mr.Puwasit Wongcharoensin, Mr.Wiwat Wongcharoensin and Mr.Suwatchai Wongcharoensin (Wongcharoensin Family) who are the Company's major shareholders holding 1.64%, 4.51%, 8.13% and 4.90% of paid-in registered capital of 418.89 million baht respectively.
CS Rubber Industry Company Limited	<ul style="list-style-type: none"> - Manufacturer, importer and exporter of rubber products - Shareholders are Mr.Manit Wongcharoensin, Mr.Puwasit Wongcharoensin, Mr. Wiwat Wongcharoensin and Mr.Suwatchai Wongcharoensin (Wongcharoensin Family) who are the Company's major shareholders, holding 10.63% of paid-in registered capital of 90 million baht per person.

2. Details of connected transactions

Connected transactions the Company makes with a party/a juristic person who may have conflicts of interest on December 31, 2020 and 2021 are as follows:

2.1 Transactions related to purchase and sale of the Company's products

Nature of Transaction	Transaction Value (THB)		Necessity / Reasons for the Transaction	Opinion from Audit Committee
	Jan-Dec 2020	Jan-Dec 2021		
CPL Group Public Company Limited				
<u>Selling</u>				
Sale revenue	1,966,034	2,505,547	The company sells adhesives and PVC resin for CPL Group Public Company Limited, with the selling price and profit margin comparable to outsiders and gross margin. Average that the company Selling such products to third parties. This commercial transaction is a normal business operation. By determining the selling price which is considered based on the sales volume and the selling price and trade conditions as well as other customers	The Audit Committee agrees that proceeding the transactions are reasonable because such transactions the Company's normal business operations and can increase the Company's additional revenue by utilizing the Company's raw materials. Such transactions are subject to the Company's general business conditions which the sales prices and gross profit margins are comparable to the sales prices and average gross profit margins made by selling adhesives to outsiders and do not make the Company lose any interest.
Trade receivables	274,637	543,314		
CS Rubber Industry Company Limited				
<u>Selling</u>				
Sale revenue	48,654	55,080	The Company sells thinners to CS Rubber Industry Company Limited. The products are developed from solvent which is a main material of adhesives. Thinners are not the Company's main products but they are produced from adhesive materials and can increase the Company's additional revenue. The Company sells thinners not only to CS Rubber Industry Company Limited but also to external customers. The thinners' prices sold to CS Rubber Industry Company Limited are comparable to those sold to outsiders. Average gross profit margin the Company makes can be comparable to those on outsiders and comparable to average gross profit margin made from general adhesives and sealants. Commercial transactions are normal business operations which determine sales prices considered by appropriateness of sales volume and sales prices and trade terms in the same way as the Company does to other customers.	The Audit Committee agrees that proceeding the transactions are reasonable because such transactions the Company's normal business operations and can increase the Company's additional revenue by utilizing the Company's raw materials. Such transactions are subject to the Company's general business conditions which the sales prices and gross profit margins are comparable to the sales prices and average gross profit margins made by selling adhesives to outsiders and do not make the Company lose any interest.
Trade receivables	17,681	9,823		

Nature of Transaction	Transaction Value (THB)		Necessity / Reasons for the Transaction	Opinion from Audit Committee
	Jan-Dec 2020	Jan-Dec 2021		
CPL Group Public Company Limited <u>Purchasing</u> Cost of Sales Account Receivable	45,511 5,313	124,319 25,252	The company sells adhesives and PVC resin for CPL Group Public Company Limited, with the selling price and profit margin comparable to outsiders and gross margin. Average that the company Selling such products to third parties. This commercial transaction is a normal business operation. By determining the selling price which is considered based on the sales volume and the selling price And trade conditions as well as other customers	The Audit Committee agrees that preceding the transactions is reasonable because such transactions support the Company's normal business operations. Such transactions are subject to the Company's general trade terms and procurement policy. The Company considers and precedes the transactions in the same way the Company does with other business partners.
All New Vision Company Limited	25,552	300,143	The Company purchases products from All New Vision Company Limited to be used as gifts to customers and/or Certification of the Company's customers as usual.	The Audit Committee agrees that preceding the transactions is reasonable because such transactions support the Company's normal business operations. Such transactions are subject to the Company's general trade terms and procurement policy. The Company considers and precedes the transactions in the same way the Company does with other business partners.

3. Necessity and Reasonableness of Connected transactions.

The Company's connected transactions for the fiscal year ended in December 31, 2018 and 2019 can be divided into 2 groups.

1. Normal business transaction refers to a commercial transaction normally performed by the Company or its subsidiaries for the purpose of operating business such as trading, service provision, resale etc.
2. Supporting business transaction refers to a commercial transaction that companies that are in the same business with the Company often proceed to support normal business such as purchase of safety equipment etc.

4. Connected transactions Measures or Procedures for Approval of Connected Transaction.

The company established the policy and procedure for connected transactions of the Company with a party who may have conflicts of interest or related persons so as to clarify transactions and maintain the Company's benefits. The Company ensures compliance with the laws on securities and exchange, regulations, notifications, orders or any requirements of the Stock Exchange of Thailand. The management and stakeholders are prohibited to take part in approving connected transactions. In the case where the law requires the approval of the Board of Directors, the Company will arrange the Audit Committee to attend the meeting to consider and give opinions on the transaction and the reasonableness of the transaction. Transactions of trade agreement with general trade terms and transaction of trade agreement without general trade terms shall apply as follows:

4.1 Transactions of Trade Agreement with General Trade Terms

Normal business transactions and supporting normal business transaction including product selling and services shall have fair trade agreement and trade terms which can be comparable to the market prices or can refer to prices of products in the same groups and shall not cause benefit transfer. The Board of Directors is approved to set a framework for the management to proceed with the transactions. The Company's management can proceed with the transactions under the principles approved by the Board of Directors. The report of transactions shall be prepared and reported to the Audit Committee Meeting in every quarter. The Company ensures compliance with the laws on securities and exchange, regulations, notifications, orders or any requirements of the Stock Exchange of Thailand and disclosure of connected transactions.

4.2 Transactions of Trade Agreement without General Trade Terms.

Transactions of trade agreement without general trade terms in the case of a connected transaction under the authority of the Board of Directors, the executives of relevant departments such as sales department, marketing department, accounting department, operating department shall propose details, transactions, necessity and reasonableness of transactions to request for an approval from the Audit Committee and propose them to the Meeting of the Board of Directors for an approval of transactions. The Company will disclose connected transactions in the remark of financial statements examined by the Company's auditor. If the Company's common shares are registered in the Stock of Exchange of Thailand, the Company will disclose connected transactions in Annual Registration Statement/Annual Report 2021 (Form 56-1 One Report) in accordance with the laws on securities and exchange, regulations, notifications, orders or any requirements of the Stock Exchange of Thailand.

4.3 Policies or Trends for Approval of Future Connected Transaction

The Company proceeds connected transactions in the future including product selling and Service. These transactions are examined and approved by the Audit Committee and the Board of Directors. The Audit Committee will review and give opinions to connected transactions which are quarterly normal business transactions or supporting normal business transactions. However, for any transactions which are not normal business transactions occurring in the future, the Company will arrange the Audit Committee to review the necessity and reasonableness of the transactions prior to approval of connected transactions.

If the Company wishes to approve connected transactions with a party who may have conflicts of interest in the future, the Company will strictly follow the policies and procedures mentioned above. The Company will arrange the Audit Committee to consider and give opinions to review the necessity and reasonableness of the transactions. In case the Audit Committee considers it lacks expertise required for the consideration of possible transactions, the Company is empowered to recruit experts such as an independent appraiser, an independent expert or an auditor to give opinions on the connected transactions. The opinion of these recruited experts will be used in the decision-making of the Board of Directors of the company or shareholders as the case may be. The Company ensures compliance with the laws on securities and exchange, regulations, notifications, orders or any requirements of the Stock Exchange of Thailand and disclosure of connected transactions as in Annual Registration Statement/Annual Report 2021 (Form 56-1 One Report) in accordance with the laws on securities and exchange, regulations, notifications, orders or any requirements of the Stock Exchange of Thailand.

Financial Statements





Financial Statements

Board of Directors' Statement of Responsibility for Financial Report

The Board of Directors of Applied DB Public Company Limited strongly values the duties and responsibilities in accordance with good corporate governance principles. The Board of Directors is responsible for the separate and consolidated financial statement of the Company and its subsidiaries including financial information presented in the annual report and the annual financial statements for the year ended December 31, 2021 which are prepared according professions (FAP) and correspond with the generally accepted Accounting standards of Thailand. The Board of Directors has selected and consistently followed and appropriate accounting policy. The aforementioned financial statements are prepared using careful judgment and the best estimation. In addition, important information in adequately disclosed in the notes to the financial statements. The financial statements have been examined by and independent external auditor and the auditor has expressed and unqualified opinion. Therefore, the financial statements accurately and transparently reflect the Company's financial status and operating performance in the past year.

The Board of Directors has appointed the Audit Committee, which comprises of independent directors, to review the quality of the financial reports and to the evaluate the internal control system, risk management system, and various systems to support effective financial documentation to ensure that accounting records are correct, complete, timely, adequate to protect its asset, as well as able to prevent fraud or materially irregular operations, The Audit Committee's opinion is presented in the Audit Committee's report which is a part of this annual report.

The Board of Directors believes that the effectiveness of the Company's overall internal control system is satisfactory and able to crate credibility and reliability for the separate and consolidated financial statements of Applied DB Company Limited and its subsidiaries for the period ended December 31, 2021.



Mr. Wang Wanapaisan
Chief Executive Officer



Mr. Pawat Wongtangtrakul
Chairman of the Board

Auditor Report

To the Shareholders of Applied DB Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Applied DB Public Company Limited and its subsidiaries (the “Group”) and of Applied DB Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2021, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2021 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (“TSAs”). My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is 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.

Valuation of inventories	
Refer to Note 3(f) and 7.	
The key audit matter	How the matter was addressed in the audit
The Group’s inventories have significant balances and the main raw materials are commodity products, for which the market price is volatile as well as having a risk of deterioration. The Group measures its inventories at the lower of cost and net realisable value. The estimation of net realisable value of inventories involve management’s judgment. Therefore, I considered this as the key audit matter.	My audit procedures included the following: <ul style="list-style-type: none">- making inquiries of the management and inspecting a sample of related documents to understand the policies, process, and the management’s judgments and assumptions used to set up selling prices, estimated net realisable value of inventories, including the design and implementation of the related internal controls;

	<ul style="list-style-type: none"> - verifying the accuracy of the inventory aging report on a sample basis with supporting documents; - assessing the management's assumptions used to identify deteriorated inventories by comparing with supporting documents, and attending inventory count observation including considering the condition of inventories; sampling items to test the estimated net realisable value of inventories and related selling expenses with supporting documents; and - evaluating the adequacy of the disclosures in accordance with the relevant Thai Financial Reporting Standards.
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Other Information

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

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

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

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

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 TFRSs, 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 misstatement, whether due to fraud or error.

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

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

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

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional 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's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with 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.



(Sawitree Ongksirimemongkol)

Certified Public Accountant

Registration No. 10449

KPMG Phoomchai Audit Ltd.

Bangkok

22 February 2022

Financial Statement

Applied DB Public Company Limited and its Subsidiaries

Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2021	2020	2021	2020
<i>(in Baht)</i>					
Current assets					
Cash and cash equivalents	5	62,911,343	31,682,657	61,760,129	31,536,404
Trade accounts receivable	4, 6	385,971,581	365,773,953	385,971,581	365,773,953
Other receivables		21,118,971	5,513,020	21,118,971	5,513,020
Inventories	7	455,349,092	296,589,578	455,349,092	296,589,578
Total current assets		925,350,987	699,559,208	924,199,773	699,412,955
Non-current assets					
Investments in subsidiaries	8	-	-	1,006,623	6,923
Property, plant and equipment	9	508,340,282	526,630,388	508,340,282	526,630,388
Right-of-use assets	9	6,244,131	4,206,430	6,244,131	4,206,430
Other intangible assets		1,434,246	632,971	1,434,246	632,971
Deferred tax assets	19	11,163,792	12,166,679	11,163,792	12,166,679
Other non-current assets		1,512,780	487,722	1,512,780	487,722
Total non-current assets		528,695,231	544,124,190	529,701,854	544,131,113
Total assets		1,454,046,218	1,243,683,398	1,453,901,627	1,243,544,068

Applied DB Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2021	2020	2021	2020
<i>(in Baht)</i>					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	11	330,453,042	189,911,136	330,453,042	189,911,136
Trade accounts payable	4	256,239,384	197,951,918	256,239,384	197,951,918
Other payables		62,150,594	47,183,190	62,075,067	47,182,662
Current portion of lease liabilities	11	1,734,193	2,342,931	1,734,193	2,342,931
Current portion of long-term borrowings					
from financial institutions	11	26,156,000	31,152,000	26,156,000	31,152,000
Income tax payable		2,160,955	10,755,803	2,160,955	10,742,211
Current provisions for employee benefits	12	1,447,516	543,713	1,447,516	543,713
Other current liabilities		7,134	571,837	7,134	571,837
Total current liabilities		680,348,818	480,412,528	680,273,291	480,398,408
Non-current liabilities					
Lease liabilities	11	2,899,429	1,681,855	2,899,429	1,681,855
Long-term borrowings from financial institutions	11	43,560,000	69,716,000	43,560,000	69,716,000
Non-current provisions for employee benefits	12	43,706,171	46,525,163	43,706,171	46,525,163
Total non-current liabilities		90,165,600	117,923,018	90,165,600	117,923,018
Total liabilities		770,514,418	598,335,546	770,438,891	598,321,426

Equity

Share capital	13				
Authorised share capital		<u>362,999,962</u>	<u>300,000,000</u>	<u>362,999,962</u>	<u>300,000,000</u>
Issued and paid-up share capital		362,999,962	300,000,000	362,999,962	300,000,000
Share premium on ordinary shares	14	202,200,890	202,200,890	202,200,890	202,200,890
Surplus on share-based payment transactions	14	308,333	308,333	308,333	308,333
Retained earnings					
Appropriated					
Legal reserve	15	20,643,763	16,855,765	20,643,763	16,855,765
Unappropriated		97,390,720	126,210,452	97,315,495	126,058,838
Other components of equity		<u>(11,868)</u>	<u>(227,588)</u>	<u>(5,707)</u>	<u>(201,184)</u>
Total equity		<u>683,531,800</u>	<u>645,347,852</u>	<u>683,462,736</u>	<u>645,222,642</u>
 Total liabilities and equity		 <u>1,454,046,218</u>	 <u>1,243,683,398</u>	 <u>1,453,901,627</u>	 <u>1,243,544,068</u>

Applied DB Public Company Limited and its Subsidiaries

Statement of comprehensive income

		Consolidated financial statements For the year ended 31 December		Separate financial statements For the year ended 31 December	
	Note	2021	2020	2021	2020
<i>(in Baht)</i>					
Revenues					
Revenue from sales of goods	4, 16	1,677,995,507	1,369,211,974	1,677,995,507	1,369,211,974
Net foreign exchange gain		10,234,927	3,526,349	10,234,927	3,526,349
Other income	4	11,822,197	7,683,902	11,822,197	7,683,902
Total revenue		1,700,052,631	1,380,422,225	1,700,052,631	1,380,422,225
Expenses	4				
Cost of sales of goods	7, 18	1,403,511,758	1,101,752,084	1,403,511,758	1,101,752,084
Distribution costs	18	82,449,432	69,978,054	82,449,432	69,978,054
Administrative expenses	18	111,344,144	112,515,600	111,270,185	112,543,730
Total expenses		1,597,305,334	1,284,245,738	1,597,231,375	1,284,273,868
Profit from operating activities		102,747,297	96,176,487	102,821,256	96,148,357
Finance costs		7,392,945	10,421,853	7,392,945	10,421,853
Profit before income tax expense		95,354,352	85,754,634	95,428,311	85,726,504
Income tax expense	19	19,670,786	16,093,901	19,668,356	16,079,695
Profit for the year		75,683,566	69,660,733	75,759,955	69,646,809

Applied DB Public Company Limited and its Subsidiaries
Statement of comprehensive income

		Consolidated financial statements For the year ended 31 December		Separate financial statements For the year ended 31 December	
	Note	2021	2020	2021	2020
		(in Baht)			
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange difference on translating financial statements		20,243	(5,761)	-	-
Effective portion of gain on cash flow hedges		244,346	326,068	244,346	326,068
Income tax relating to items that will be reclassified subsequently to profit or loss	19	<u>(48,869)</u>	<u>(65,214)</u>	<u>(48,869)</u>	<u>(65,214)</u>
Total items that will be reclassified subsequently to profit or loss		<u>215,720</u>	<u>255,093</u>	<u>195,477</u>	<u>260,854</u>
<i>Items that will not be reclassified to profit or loss</i>					
Gains on remeasurements of defined benefit plans	12	2,860,999	-	2,860,999	-
Income tax relating to item that will not be reclassified to profit or loss	19	<u>(572,200)</u>	<u>-</u>	<u>(572,200)</u>	<u>-</u>
Total items that will not be reclassified to profit or loss		<u>2,288,799</u>	<u>-</u>	<u>2,288,799</u>	<u>-</u>
Other comprehensive income for the year, net of tax		<u>2,504,519</u>	<u>255,093</u>	<u>2,484,276</u>	<u>260,854</u>
Total comprehensive income for the year		<u><u>78,188,085</u></u>	<u><u>69,915,826</u></u>	<u><u>78,244,231</u></u>	<u><u>69,907,663</u></u>
Profit attributable to:					
Owners of the parent		<u>75,683,566</u>	69,660,733	75,759,955	69,646,809
Profit for the year		<u><u>75,683,566</u></u>	<u><u>69,660,733</u></u>	<u><u>75,759,955</u></u>	<u><u>69,646,809</u></u>
Total comprehensive income attributable to:					
Owners of the parent		<u>78,188,085</u>	<u>69,915,826</u>	<u>78,244,231</u>	<u>69,907,663</u>
Total comprehensive income for the year		<u><u>78,188,085</u></u>	<u><u>69,915,826</u></u>	<u><u>78,244,231</u></u>	<u><u>69,907,663</u></u>
Basic earnings per share	20	0.104	0.096	0.104	0.096

Applied DB Public Company Limited and its Subsidiaries
Statement of changes in equity

	Note	Consolidated financial statements						Other components of equity			Total equity
		Issued and paid-up share capital	Share premium	Surplus on share-based payment transactions	Retained earnings		Unappropriated (in Baht)	Translation reserve	Cash flow hedge reserve	Total other components of equity	
Year ended 31 December 2020											
Balance at 1 January 2020		300,000,000	202,200,890	308,333	13,373,424	66,032,060	(20,643)	(462,038)	(482,681)		581,432,026
Transactions with owners, recorded directly in equity											
<i>Distributions to owners of the parent</i>											
Dividends to owners of the parent	21	-	-	-	-	(6,000,000)	-	-	-	-	(6,000,000)
Total transactions with owners, recorded directly in equity		-	-	-	-	(6,000,000)	-	-	-	-	(6,000,000)
Comprehensive income for the year											
Profit		-	-	-	-	69,660,733	-	-	-	-	69,660,733
Other comprehensive income (expense)		-	-	-	-	-	(5,761)	260,854	255,093	255,093	255,093
Total comprehensive income (expense) for the year		-	-	-	-	69,660,733	(5,761)	260,854	255,093	255,093	69,915,826
Transfer to legal reserve	15	-	-	-	3,482,341	(3,482,341)	-	-	-	-	-
Balance at 31 December 2020		300,000,000	202,200,890	308,333	16,855,765	126,210,452	(26,404)	(201,184)	(227,588)		645,347,852

Applied DB Public Company Limited and its Subsidiaries
Statement of changes in equity

Consolidated financial statements										
		Retained earnings			Other components of equity					
		Issued and paid-up share capital	Share premium	Surplus on share-based payment transactions	Legal reserve	Unappropriated reserve <i>(in Baht)</i>	Translation reserve	Cash flow hedge reserve	Total other components of equity	
Note									Total equity	
Year ended 31 December 2021										
	Balance at 1 January 2021	300,000,000	202,200,890	308,333	16,855,765	126,210,452	(26,404)	(201,184)	(227,588)	645,347,852
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the parent</i>										
13	Issue of stock dividends	62,999,962	-	-	-	(62,999,962)	-	-	-	-
21	Dividends to owners of the parent	-	-	-	-	(40,004,137)	-	-	-	(40,004,137)
	Total transactions with owners, recorded directly in equity	62,999,962	-	-	-	(103,004,099)	-	-	-	(40,004,137)
Comprehensive income for the year										
	Profit	-	-	-	-	75,683,566	-	-	-	75,683,566
	Other comprehensive income	-	-	-	-	2,288,799	20,243	195,477	215,720	2,504,519
	Total comprehensive income for the year	-	-	-	-	77,972,365	20,243	195,477	215,720	78,188,085
15	Transfer to legal reserve	-	-	-	3,787,998	(3,787,998)	-	-	-	-
	Balance at 31 December 2021	362,999,962	202,200,890	308,333	20,643,763	97,390,720	(6,161)	(5,707)	(11,868)	683,531,800

Applied DB Public Company Limited and its Subsidiaries
Statement of changes in equity

Separate financial statements							
				Surplus on share-based transactions	Retained earnings		Other components of equity
	Note	Issued and paid-up share capital	Share premium		Legal reserve <i>(in Baht)</i>	Unappropriated	Cash flow hedge reserve
Year ended 31 December 2020							
Balance at 1 January 2020		300,000,000	202,200,890	308,333	13,373,424	65,894,370	(462,038)
Transactions with owners, recorded directly in equity							
<i>Distributions to owners of the Company</i>							
Dividends to owners of the parent	21	-	-	-	-	(6,000,000)	-
Total transactions with owners, recorded directly in equity		-	-	-	-	(6,000,000)	-
Comprehensive income for the year							
Profit		-	-	-	-	69,646,809	-
Other comprehensive income		-	-	-	-	-	260,854
Total comprehensive income for the year		-	-	-	-	69,646,809	260,854
Transfer to legal reserve	15	-	-	-	3,482,341	(3,482,341)	-
Balance at 31 December 2020		300,000,000	202,200,890	308,333	16,855,765	126,058,838	(201,184)
							645,222,642

Separate financial statements

Form 56-1 One Report 2021
Applied DB Public Company Limited

Applied DB Public Company Limited and its Subsidiaries

Statement of cash flows

		Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
	Note	2021	2020	2021	2020
		(in Baht)			
Cash flows from operating activities					
Profit for the year		75,683,566	69,660,733	75,759,955	69,646,809
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Income tax expense	19	19,670,786	16,093,901	19,668,356	16,079,695
Interest income		(7,811)	(12,651)	(7,811)	(12,651)
Finance costs		7,392,945	10,421,853	7,392,945	10,421,853
Depreciation and amortisation		51,738,182	48,439,202	51,738,182	48,439,202
Provision for employee benefits	12	1,498,037	5,899,063	1,498,037	5,899,063
Unrealised (gain) loss on exchange		(965,236)	2,050,188	(987,388)	2,055,497
(Reversal of) impairment loss on trade accounts receivable	6	(1,477,624)	3,524,570	(1,477,624)	3,524,570
(Reversal of) losses on inventories devaluation	7	3,295,253	(1,124,043)	3,295,253	(1,124,043)
Loss on disposal and write-off of property, plant and equipment		99,756	50,805	99,756	50,805
		156,927,854	155,003,621	156,979,661	154,980,800
Changes in operating assets and liabilities					
Trade accounts receivable		(17,869,622)	(37,179,474)	(17,869,622)	(37,179,474)
Other receivables		(15,605,951)	44,919,727	(15,605,951)	44,919,727
Inventories		(162,054,767)	(34,037,075)	(162,054,767)	(34,037,075)
Other non-current assets		(1,025,058)	(165,134)	(1,025,058)	(165,134)
Trade accounts payable		58,345,994	(14,124,292)	58,345,994	(14,124,292)
Other payables		13,026,651	16,242,614	12,951,652	16,316,925
Other current liabilities		(320,357)	210,705	(320,357)	210,705
Employee benefit paid	12	(552,227)	(2,548,168)	(552,227)	(2,548,168)
Net cash generated from operating		30,872,517	128,322,524	30,849,325	128,374,014
Tax paid		(27,885,725)	(8,745,626)	(27,867,794)	(8,722,478)
Net cash from operating activities		2,986,792	119,576,898	2,981,531	119,651,536
Cash flows from investing activities					
Purchase of investment in subsidiaries	8	-	-	(999,700)	-
Proceeds from sale of property, plant and equipment		392,523	236,481	392,523	236,481
Purchase of property, plant and equipment		(33,973,138)	(33,419,145)	(33,973,138)	(33,419,145)
Purchase of intangible assets		(1,156,271)	(170,600)	(1,156,271)	(170,600)
Interest received		7,811	12,651	7,811	12,651
Net cash used in investing activities		(34,729,075)	(33,340,613)	(35,728,775)	(33,340,613)

Applied DB Public Company Limited and its Subsidiaries
Statement of cash flows

		Consolidated financial statements For the year ended 31 December		Separate financial statements For the year ended 31 December	
	Note	2021	2020	2021	2020
				(in Baht)	
Cash flows from financing activities					
Proceeds (payment) from short-term borrowings					
from financial institutions		137,871,951	(76,289,540)	137,871,951	(76,289,540)
Proceeds from long-term borrowings from					
financial institutions		-	20,000,000	-	20,000,000
Repayment of long-term borrowings from					
financial institutions		(31,152,000)	(31,152,000)	(31,152,000)	(31,152,000)
Payment of lease liabilities	11	(2,618,749)	(2,531,276)	(2,618,749)	(2,531,276)
Dividends paid to owners of the Company	21	(36,334,509)	(6,000,000)	(36,334,509)	(6,000,000)
Interest paid		(7,558,378)	(10,663,981)	(7,558,378)	(10,663,981)
Net cash from (used in) financing activities		60,208,315	(106,636,797)	60,208,315	(106,636,797)
Net increase (decrease) in cash and cash equivalents,					
before effect of exchange rates		28,466,032	(20,400,512)	27,461,071	(20,325,874)
Effect of exchange rate changes on cash and					
cash equivalents		221,166	76,193	221,166	76,193
Net increase (decrease) in cash and cash equivalents		28,687,198	(20,324,319)	27,682,237	(20,249,681)
Cash and cash equivalents at 1 January		31,682,657	52,006,976	31,536,404	51,786,085
Cash and cash equivalents at 31 December		60,369,855	31,682,657	59,218,641	31,536,404
Supplemental disclosure of cash flow information					
1. Cash and cash equivalents consisted of:					
Cash and cash equivalent		62,911,343	31,682,657	61,760,129	31,536,404
Bank overdraft	11	(2,541,488)	-	(2,541,488)	-
Net		60,369,855	31,682,657	59,218,641	31,536,404
2. Property, plant and equipment purchased during					
the period are detailed as follows:					
Property, plant and equipment purchased during					
the period		32,395,475	32,521,124	32,395,475	32,521,124
Less: Capitalised interest	9	(369,059)	(45,549)	(369,059)	(45,549)
Less: Changes in payables on purchase of					
property, plant and equipment		1,946,722	943,570	1,946,722	943,570
Net purchase of property, plant and equipment		33,973,138	33,419,145	33,973,138	33,419,145
paid by cash					

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Notes to the financial statements

For the year ended 31 December 2021

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 22 February 2022.

1 General information

Applied DB Public Company Limited, the “Company”, was incorporated in Thailand on 4 January 2005 and was listed on the Stock Exchanged of Thailand on 6 November 2017. The Company’s registered offices at:

Head office: 252 Moo 4, Sukhumvit Road, Tambol Prakasa, Amplur Muang, Samutprakarn 10280, Thailand.

First branch: 260 Moo 4, Sukhumvit Road, Tambol Prakasa, Amplur Muang, Samutprakarn 10280, Thailand.

Second branch: 271 Moo 4, Sukhumvit Road, Tambol Prakasa, Amplur Muang, Samutprakarn 10280, Thailand.

Third branch: 271/1 Moo 4, Sukhumvit Road, Tambol Prakasa, Amplur Muang, Samutprakarn 10280, Thailand.

Forth branch: 816 Moo 7, Sukhumvit Road, Tambol Bang Pu Mai, Amplur Muang, Samutprakarn 10280, Thailand.

The Company’s major shareholder during the financial year were the Wongcharoensin Family (25% shareholding), the Wanapraisson Family (15% shareholding) and the Wongtangtrakul Family (12% shareholding).

The principal activities of the Company are manufacturing and distribution of plastic compound, adhesive and sealant. Details of the Company’s subsidiaries as at 31 December 2021 and 2020 are given in note 8.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”); guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies are described in each notes have been applied consistently to all periods presented in these financial statements.

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”). The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

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3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”).

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation.

(b) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of qualifying cash flow hedges to the extent the hedge is effective are recognised in other comprehensive income.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve in equity until disposed of the investments.

(c) Financial instruments

(c.1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivables (see note 3(e)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for

Applied DB Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

(c.2) Derecognition and offset

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(c.3) Derivatives

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on nature of the item being hedged (see note 4(c.4)).

(c.4) Hedging

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is recognised in a cash flow hedging reserve within equity.

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When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the cash flow hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the cash flow hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedging reserve are immediately reclassified to profit or loss.

(c.5) Impairment of financial assets other than trade accounts receivables

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI, and loan commitments issued which are not measured at FVTPL.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 365 days past due.

(c.6) Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

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(c.7) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposit. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

(e) Trade and other accounts receivable

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

A right to recover returned products is recognised when the products are expected to be returned by customers and measured by reference to the former carrying amount of the sold inventories less any expected costs to recover those products.

(g) Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are measured at cost.

(h) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

Subsequent costs

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The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when 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 property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Buildings and other constructions	5, 10, 20, 30 and 40	years
Machinery and equipment	3, 5, 10 and 15	years
Furniture, fixtures and office equipment	3 and 5	years
Vehicles	5	years

(i) Intangible assets

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licences	3	years
Trademarks	2, 4, 5, 8 and 10	years

(j) Leases

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

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The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(k) 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 assets' recoverable amounts are estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. 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.

Impairment losses of assets recognised in prior periods 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.

(l) Employee benefits

Defined contribution plans

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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.

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Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(m) *Share-based payments*

The grant-date fair value of share-based payment awards granted to employees is generally recognised as an employee expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met. For employees, the share-based payment awards granted and vest immediately on the grant date, the grant-date fair value of the awards is recognised as an expense immediately.

(n) *Provisions*

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(o) *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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3*: inputs for the asset or liability that are based on unobservable inputs.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

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The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

(p) Revenue

Revenue recognition

Revenue is recognised when a customer obtains control of the goods in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts and volume rebates.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue for this transaction and remains recognition of inventory for the estimated products to be returned.

(q) Income tax

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

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting 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.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

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 each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised

(r) Earnings per share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

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(s) Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(t) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 Related parties

Relationships with subsidiaries are described in Note 8 to the financial statements. Other related parties that the Group had significant transactions with during the year were as follows:

Name of parties	Country of incorporation/ nationality	Nature of relationships			
All New Vision Co., Ltd.	Thailand	Common directors			
C.P.L Group PCL.	Thailand	Common directors			
Charoensin Asset Co., Ltd.	Thailand	Common directors			
CS Rubber Industry Co., Ltd.	Thailand	Common directors			
Thai Wiring System Co., Ltd.	Thailand	Common directors			
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.			

Significant transactions with related parties For the year ended 31 December	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Subsidiaries				
Services and others fee	-	-	188	194
Other related parties				
Sales of goods	2,561	2,015	2,561	2,015
Purchases of goods	117	41	117	41
Services and other fees	201	3	201	3
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	24,013	27,666	24,013	27,666
Post-employment benefits	1,263	1,296	1,263	1,296
Total key management personnel compensation	25,276	28,962	25,276	28,962

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Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Trade accounts receivable - related parties	<u>576</u>	<u>292</u>	<u>576</u>	<u>292</u>
Trade accounts payable - related parties	<u>23</u>	<u>5</u>	<u>23</u>	<u>5</u>
Other accounts payable - related parties	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>

Significant agreements with related parties

Marketing Assistance Agreement

As at 31 December 2021, the Company has two marketing assistance agreements with two subsidiaries. Under the terms of these agreements, the subsidiaries agreed to provide marketing assistance and commercial information in overseas markets that are useful for the Company. In consideration thereof, the Company agreed to pay a service fee to the subsidiaries at the agreed rates as stipulated in the agreements. These agreements are effective for a period of 1 year and 9 months starting from 31 March 2017 and will be automatically renewable for additional periods, unless either party has an intention to terminate the agreements, a written notification must be made to the other party not later than 3 months prior to the expiration date.

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Cash on hand	918	852	736	705
Cash at banks	61,993	30,831	61,024	30,831
Total	<u>62,911</u>	<u>31,683</u>	<u>61,760</u>	<u>31,536</u>

6 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Within credit terms	283,028	247,178	283,028	247,178
Overdue:				
Less than 3 months	90,293	106,658	90,293	106,658
3 - 6 months	13,110	8,731	13,110	8,731
6 - 12 months	820	7,583	820	7,583
Over 12 months	1,126	3,499	1,126	3,499
Total	<u>388,377</u>	<u>373,649</u>	<u>388,377</u>	<u>373,649</u>
Less allowance for expected credit loss	<u>(2,405)</u>	<u>(7,875)</u>	<u>(2,405)</u>	<u>(7,875)</u>
Net	<u>385,972</u>	<u>365,774</u>	<u>385,972</u>	<u>365,774</u>

Applied DB Public Company Limited and its Subsidiaries
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For the year ended 31 December 2021

<i>Allowance for expected credit loss</i>	Consolidated		Separate	
	financial statements		financial statements	
<i>For the year ended 31 December</i>	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At 1 January	7,875	4,720	7,875	4,720
Additions	-	3,525	-	3,525
Reversal	(1,478)	-	(1,478)	-
Write-off	(3,992)	(370)	(3,992)	(370)
At 31 December	2,405	7,875	2,405	7,875

7 Inventories

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Finished goods	128,223	79,514	128,223	79,514
Work in progress	19,787	16,504	19,787	16,504
Raw materials	242,944	154,903	242,944	154,903
Factory supplies	30,563	26,033	30,563	26,033
Goods in transit	42,033	24,542	42,033	24,542
Total	463,550	301,496	463,550	301,496
Less allowance for loss on inventories devaluation	(8,201)	(4,906)	(8,201)	(4,906)
Net	455,349	296,590	455,349	296,590
Inventories recognised as an expense in 'cost of sales of goods':				
- Cost	1,400,217	1,102,876	1,400,217	1,102,876
- Write-down to net realisable value	3,295	-	3,295	-
- Reversal of write-down	-	(1,124)	-	(1,124)
Total	1,403,512	1,101,752	1,403,512	1,101,752

Applied DB Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

8 Investment in subsidiaries

Investments in subsidiaries as at 31 December as follows:

Separate financial statements								
Name of party	Type of business	Country of operation	Ownership interest		Paid-up capital		At cost	
			2021	2020	2021	2020	2021	2020
(in thousand Baht)								
Local direct subsidiaries								
ADB BIO Co., Ltd.	Providing biodegradable raw materials and semi-finished product that can replace traditional plastic to support the development, production and distribution of bio products.	Thailand	99.97	-	999.7	-	999.7	-
Total					999.7	-	999.7	-
Foreign direct subsidiary								
ADB USA Inc.	Holding company	United States of America	100.00	100.00	3.5	3.5	3.5	3.5
Sparko USA Inc.	Holding company	United States of America	100.00	100.00	3.5	3.5	3.5	3.5
Total					7.0	7.0	7.0	7.0
Grand total					1,006.7	7.0	1,006.7	7.0

None of the Company's subsidiaries is publicly listed and consequently does not have published price quotations.

Applied DB Public Company Limited and its Subsidiaries
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9 Property, plant and equipment

	Consolidated/Separate financial statements					
	Land	Building and other constructions	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Assets under construction and installation
						Total
Cost						
At 1 January 2020	64,836	290,752	395,761	22,439	2,210	857,206
Additions	-	281	4,342	1,452	7,149	39,670
Transfers	-	21,844	23,649	310	-	-
Disposals and write-off	(194)	-	(2,517)	(909)	-	(3,620)
At 31 December 2020 and at 1 January 2021	64,642	312,877	421,235	23,292	9,359	883,256
Additions	-	236	5,384	2,016	4,993	35,623
Transfers	-	25,807	31,128	8	-	-
Disposals and write-off	-	(217)	(9,924)	(1,123)	(150)	(11,414)
At 31 December 2021	64,642	338,703	447,823	24,193	14,202	907,465
Depreciation						
At 1 January 2020	-	(83,638)	(204,752)	(16,964)	(2,157)	(307,511)
Depreciation charge for the year	-	(12,892)	(29,668)	(2,191)	(2,963)	(47,714)
Disposals and write-off	-	-	1,938	868	-	2,806
At 31 December 2020 and at 1 January 2021	-	(96,530)	(232,482)	(18,287)	(5,120)	(352,419)
Depreciation charge for the year	-	(14,162)	(32,114)	(2,243)	(2,865)	(51,384)
Disposals and write-off	-	217	9,796	759	150	10,922
At 31 December 2021	-	(110,475)	(254,800)	(19,771)	(7,835)	(392,881)

Applied DB Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2021

	Consolidated/Separate financial statements					Total
	Land	Building and other constructions	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Assets under construction and installation
Net book value						
At 31 December 2020						
Owned assets	64,642	216,347	188,753	5,005	33	526,631
Right-of-use assets	-	-	-	-	4,206	4,206
	64,642	216,347	188,753	5,005	4,239	530,837
At 31 December 2021						
Owned assets	64,642	228,228	193,023	4,422	123	508,340
Right-of-use assets	-	-	-	-	6,244	6,244
	64,642	228,228	193,023	4,422	6,367	514,584

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2021 amounted to Baht 146.55 million (2020: Baht 138.89 million).

Assets under construction and installation

Assets under construction and installation as at 31 December 2021 amounted to Baht 17.90 million (2020: Baht 51.85 million), and mainly represented construction costs for warehouse and cost of machinery including the related installation costs.

During the year ended 31 December 2021, the Company capitalised interest expenses as cost of asset under construction and installation in the total of Baht 0.37 million (2020: Baht 0.05 million), with capitalisation rate of 4.90% per annum (2020: 2.90% per annum).

Guarantee

As at 31 December 2021, land of the Company with carrying value of Baht 64.64 million (2020: Baht 64.64 million) was pledged as collateral against short-term and long-term borrowings from financial institutions, and letter of guarantee as described in note 11.

Applied DB Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the year ended 31 December 2021

10 Leases

<i>Right-of-use assets</i> <i>At 31 December</i>	Consolidated/Separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Vehicles	6,244	4,206
Total	6,244	4,206

In 2021, additions to the right-of-use assets of the Group and the Company were Baht 4.89 million (2020: Baht 1.15 million).

The Group has lease agreements covering vehicles for periods of 18 months to 5 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

<i>For the year ended 31 December</i>	Consolidated/Separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
<i>Amounts recognised in profit or loss</i>		
Depreciation of right-of-use assets - Vehicles	2,852	2,942
Interest on lease liabilities	197	292
Expenses relating to short-term leases - Vehicles	-	228
Expenses relating to leases of low-value assets		
- Office equipment	370	331

In 2021, total cash outflow for leases of the Group and the Company were Baht 3.19 million (2020: Baht 3.38 million).

11 Interest bearing liabilities

	Consolidated/Separate financial statements					
	2021			2020		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in thousand Baht)</i>					
<i>Current</i>						
Bank overdrafts	-	2,541	2,541	-	-	-
Short-term borrowings from financial institutions						
- Promissory note	270,482	-	270,482	176,351	-	176,351
- Liabilities under trust receipts	57,430	-	57,430	13,560	-	13,560
Lease liabilities	4,634	-	4,634	4,025	-	4,025
Long-term borrowing from financial institution	40,646	29,070	69,716	68,654	32,214	100,868
Total interest-bearing liabilities	373,192	31,611	404,803	262,590	32,214	294,804

<i>Assets pledged as security for liabilities</i> <i>as at 31 December</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Land	9	64,642	64,642	64,642	64,642

Applied DB Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the year ended 31 December 2021

Borrowings from financial institutions were secured by the Company's land and director. In this regard, the Company must comply with the specified covenants relating to maintain the required financial ratios and other terms as stated in the agreements.

The Group's liabilities under trust receipts, goods have been released to the Group in trust for the financial institutions. Therefore, the Group is obliged to the financial institution for such goods.

Unutilised credit facilities

As at 31 December 2021, the Group had unutilised credit facilities totaling Baht 955.12 million (2020: 1,117.56 million).

Long-term borrowings from financial institution

On 8 June 2017, the Company entered into a long-term borrowings agreement with a local financial institution of Baht 57 million and repayable on a monthly basis of Baht 1 million each, commencing from June 2017 to February 2022.

On 7 May 2019, the Company entered into a long-term borrowing agreement with a local financial institution of Baht 80 million and repayable on a monthly basis of Baht 1.33 million each, commencing from June 2019 to May 2024.

On 17 July 2019, the Company entered into a long-term borrowing agreement with a local financial institution of Baht 15.62 million and repayable on a monthly basis of Baht 0.26 million each, commencing from December 2019 to November 2024.

On 13 April 2020, the Company entered into a long-term borrowing agreement with a local financial institution of Baht 20 million and repayable on a monthly basis of Baht 0.57 million each, commencing from April 2022 to March 2024.

Lease liabilities

Movement during the year ended 31 December as follows:

		Consolidated		Separate	
	<i>Note</i>	financial statements	financial statements	financial statements	financial statements
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
At 1 January		4,025	2,224	4,025	2,224
Purchase of assets under lease liabilities		3,228	4,332	3,228	4,332
Payment of lease liabilities		(2,816)	(2,823)	(2,816)	(2,823)
Finance costs under lease	22	197	292	197	292
At 31 December		4,634	4,025	4,634	4,025

12 Provisions for employee benefits

Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group to actuarial risks, such as interest rate risk, future salary growth risk, and turnover rate risk.

Applied DB Public Company Limited and its Subsidiaries
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<i>Present value of the defined benefit obligations</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At 1 January	47,069	43,718	47,069	43,718
<i>Recognised in profit or loss:</i>				
Current service cost	813	4,917	813	4,917
Interest on obligation	685	982	685	982
	<u>1,498</u>	<u>5,899</u>	<u>1,498</u>	<u>5,899</u>
<i>Recognised in other comprehensive income:</i>				
Actuarial gains				
- Financial assumptions	(2,861)	-	(2,861)	-
	<u>(2,861)</u>	<u>-</u>	<u>(2,861)</u>	<u>-</u>
<i>Other</i>				
Benefit paid	(552)	(2,548)	(552)	(2,548)
At 31 December	<u>45,154</u>	<u>47,069</u>	<u>45,154</u>	<u>47,069</u>

Principal actuarial assumptions

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
	<i>(%)</i>			
Discount rate	1.71	1.45	1.71	1.45
Future salary growth	3.00	3.59	3.00	3.59
Turnover rate	0 - 47	5 - 45	0 - 47	5 - 45

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2021, the weighted-average duration of the defined benefit obligation was 9 years (2020: 7 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to the defined benefit obligation</i>	Consolidated/Separate financial statements			
	1% increase in assumption		1% decrease in assumption	
<i>At 31 December</i>	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Discount rate	(3,432)	(3,238)	3,935	3,725
Future salary growth	3,523	4,253	(3,123)	(3,723)
Employee turnover	(3,615)	(3,467)	2,111	2,442

Applied DB Public Company Limited and its Subsidiaries
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13 Share capital

	Par value per share (in Baht)	2021		2020	
		Number	Amount	Number	Amount
		(thousand shares/thousand Baht)			
Authorised					
At 1 January					
- ordinary shares	0.5	600,000	300,000	600,000	300,000
Increase of new shares	0.5	126,000	63,000	-	-
At 31 December					
- ordinary shares	0.5	726,000	330,000	600,000	300,000
Issued and paid-up					
At 1 January					
- ordinary shares	0.5	600,000	300,000	600,000	300,000
Increase of new shares	0.5	126,000	63,000	-	-
At 31 December					
- ordinary shares	0.5	726,000	330,000	600,000	300,000

At the Extraordinary General Meeting of Shareholders of the Company held on 13 January 2021, the Company's Shareholders approved to increase the Company's authorised share capital of Baht 30 million (increase from Baht 300 million to Baht 330 million) by issue 60 million new ordinary shares with the par value of Baht 0.50 per share as a stock dividend, at the ratio of 10 existing shares to 1 new share for 600 million ordinary shares. The Company registered the increase in the authorised share capital with the Ministry of Commerce on 5 February 2021.

At the Extraordinary General Meeting of Shareholders of the Company held on 9 November 2021, the Company's Shareholders approved to increase the Company's authorised share capital of Baht 33 million (increase from Baht 330 million to Baht 363 million) by issue 66 million new ordinary shares with the par value of Baht 0.50 per share as a stock dividend, at the ratio of 10 existing shares to 1 new share for 660 million ordinary shares. The Company registered the increase in the authorised share capital with the Ministry of Commerce on 29 December 2021.

14 Share premium and surplus on share-based payment transactions

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies 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.

Surplus on share-based payment transactions

Surplus on share-based payment transactions are recognised in equity is the fair value of employees' rights to acquire the shares at grant dates based on the underlying fair value of the shares and the consideration payable, and to recognise related expense, with a corresponding increase in equity in accordance with TFRS 2.

Applied DB Public Company Limited and its Subsidiaries

Notes to the interim financial statements

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15 Legal reserves

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

The Company appropriated legal reserve for the year ended 31 December 2021 amounted to Baht 3.79 million (2020: Baht 3.48 million).

16 Segment information and disaggregation of revenue

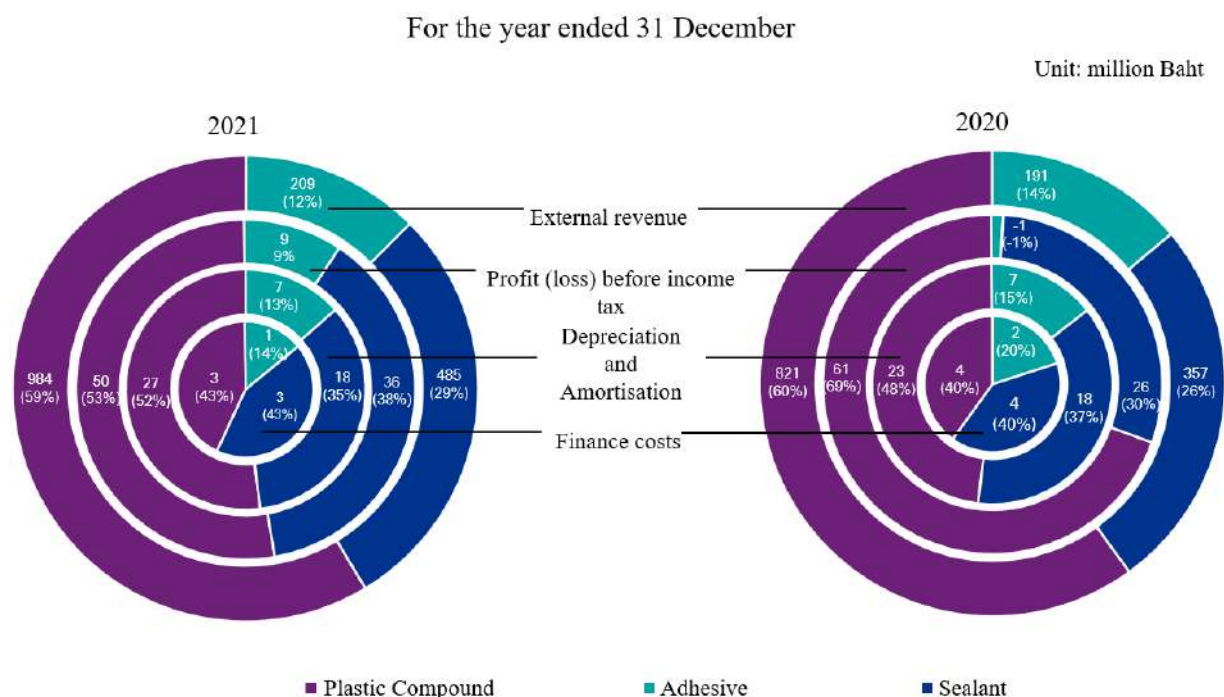
Management determined that the Group has three reportable segments, which are the Group's strategic divisions. The strategic divisions offer different products, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Plastic compound
- Segment 2 Adhesive
- Segment 3 Sealant

Each segment's performance is measured based on segment profit (loss) before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit (loss) before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The Group's main revenue is derived from sale of goods of plastic compound, adhesive and sealant, which revenue recognition is at a point in time.

Information about reportable segments



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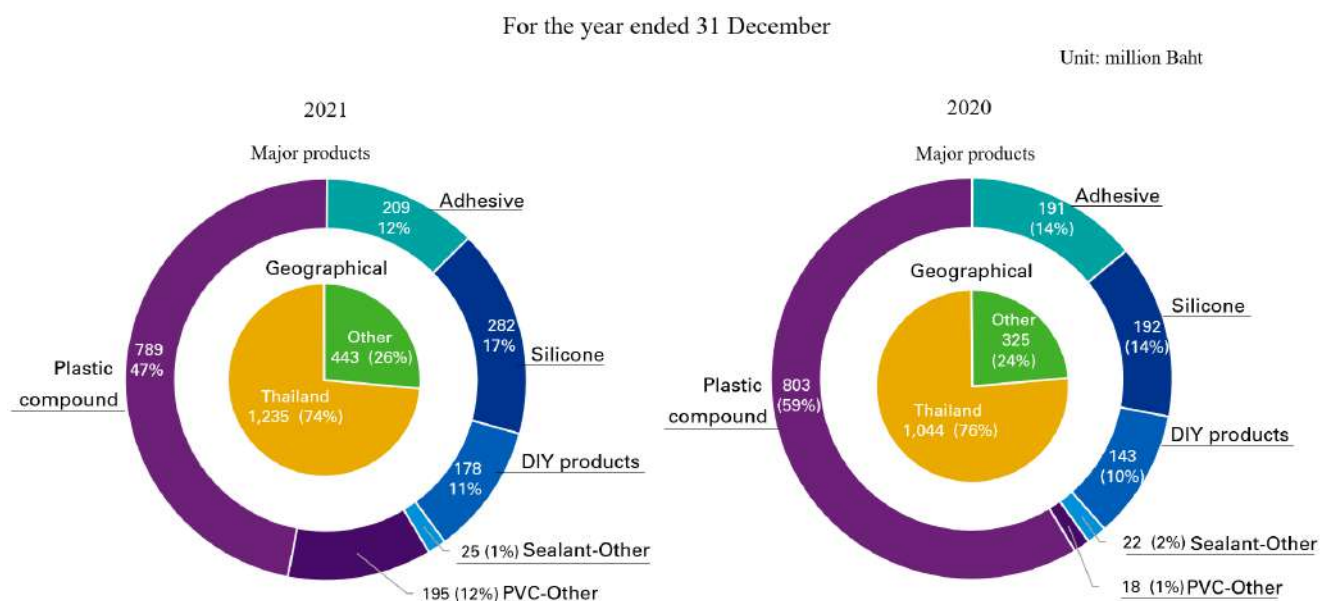
Information Segment assets

All Company's segment assets are located in Thailand.

Major customer

Revenues from one customer of the Group's segment 1 for the year ended 31 December 2021 represents approximately Baht 283.38 million (2020: Baht 204.27 million) of the Group's total revenues.

Disaggregation of revenue by primary geographical market and major products



17 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in thousand Baht)			
Salaries, wages and bonus	146,370	136,325	146,370	136,325
Staff welfares	45,254	40,521	45,254	40,521
Defined contribution plans	4,605	4,168	4,605	4,168
Defined benefit plans	1,520	5,884	1,520	5,884
Others	3,467	3,570	3,467	3,570
Total	201,216	190,468	201,216	190,468

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 2.5% to 15% of their basic salaries and by the Group at rates ranging from 2.5% to 15% of the employee's basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

Applied DB Public Company Limited and its Subsidiaries
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18 Expenses by nature

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
		(in thousand Baht)			
<i>Included in cost of sales of goods:</i>					
Changes in inventories of finished goods and work in progress		(51,992)	(20,472)	(51,992)	(20,472)
Raw materials and consumables used		1,248,164	935,174	1,248,164	935,174
Employee benefit expenses		95,967	91,839	95,967	91,839
Depreciation and amortisation		45,987	42,697	45,987	42,697
Utilities expenses		30,434	28,797	30,434	28,797
(Reversal of) write-down to net realisable value	7	3,295	(1,124)	3,295	(1,124)
Others		31,657	24,841	31,657	24,481
Total		1,403,512	1,101,752	1,403,512	1,101,752
<i>Included in distribution costs:</i>					
Commission expenses		29,823	22,480	29,823	22,480
Distribution expenses		25,381	20,210	25,381	20,210
Employee benefit expenses		20,947	20,139	20,947	20,139
Sample product expenses		748	920	748	920
Others		5,550	6,299	5,550	6,229
Total		82,449	69,978	82,449	69,978
<i>Included in administrative expenses:</i>					
Employee benefit expenses		84,302	78,490	84,302	78,490
Professional fee		5,762	6,241	5,687	6,241
Depreciation and amortisation		5,352	5,743	5,352	5,743
(Reversal of) impairment loss on trade accounts receivable	6	(1,478)	3,525	(1,478)	3,525
Others		17,406	18,517	17,407	18,545
Total		111,344	112,516	111,270	112,544

19 Income tax expense

Income tax recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in thousand Baht)			
Current tax expense				
Current year	19,289	17,295	19,286	17,281
Deferred tax expense				
Movements in temporary differences	382	(1,201)	382	(1,201)
Total income tax expense	19,671	16,094	19,688	16,080

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Income tax recognised in other comprehensive income

	Consolidated/Separate financial statements					
	Before tax	2021 Tax expense	Net of tax (in thousand Baht)	Before tax	2020 Tax expense	Net of tax
Gains on cash flow hedges	244	(49)	195	326	(65)	261
Defined benefit plan actuarial gains	2,861	(572)	2,289	-	-	-

Reconciliation of effective tax rate

	Consolidated financial statements			
	2021 Rate (%)	(in thousand Baht)	2020 Rate (%)	(in thousand Baht)
Profit before income tax expense		95,354		85,755
Income tax using the Thai corporation tax rate	20	19,071	20	17,151
Expenses not deductible for tax purposes and others		651		340
Additional deductible expenses		(51)		(1,397)
Total	21	19,671	19	16,094

	Separate financial statements			
	2021 Rate (%)	(in thousand Baht)	2020 Rate (%)	(in thousand Baht)
Profit before income tax expense		95,428		85,727
Income tax using the Thai corporation tax rate	20	19,086	20	17,145
Expenses not deductible for tax purposes and others		633		332
Additional deductible expenses		(51)		(1,397)
Total	21	19,668	19	16,080

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Movements in deferred tax balances are as follows:

	Consolidated/Separate financial statements			At 31 December
	At 1 January	(Charged) / Credited to Profit or loss (in thousand Baht)	Other comprehensive income	
2021				
Deferred tax assets				
Right-of-use assets	82	(72)	-	10
Trade accounts receivable (expected credit loss)	1,575	(1,094)	-	481
Inventories (allowance for decline in value)	981	659	-	1,640
Provisions for employee benefit	9,414	189	(572)	9,031
Changes in fair value of foreign currency hedges	64	(64)	-	-
Changes in fair value of cash flow hedges	51	-	(49)	2
Total	12,167	(382)	(621)	11,164
2020				
Deferred tax assets				
Right-of-use assets	-	82	-	82
Trade accounts receivable (expected credit loss)	944	631	-	1,575
Inventories (allowance for decline in value)	1,206	(225)	-	981
Provisions for employee benefit	8,744	670	-	9,414
Changes in fair value of foreign currency hedges	21	43	-	64
Changes in fair value of cash flow hedges	116	-	(65)	51
Total	11,031	1,201	(65)	12,167

Applied DB Public Company Limited and its Subsidiaries
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20 Basic earnings per share

The calculations of basic earnings per share for the year ended 31 December were based on the profit for the year attributable to owners of the parent and the weighted average number of ordinary shares outstanding during the year after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the distribution of stock dividend. The number of ordinary shares used in the calculation of the basic earnings per share for the year ended 31 December are adjusted as if such change had occurred at the beginning of the earliest reporting period as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht/thousand shares)</i>			
<i>For the year ended 31 December</i>				
Profit attributable to ordinary shareholders of the Company	<u>75,684</u>	<u>69,661</u>	<u>75,760</u>	<u>69,647</u>
<i>Ordinary shares outstanding</i>				
Number of ordinary shares outstanding at 1 January	726,000	600,000	726,000	600,000
Effect of stock dividends issued	-	126,000	-	126,000
Number of ordinary shares outstanding at 31 December	<u>726,000</u>	<u>726,000</u>	<u>726,000</u>	<u>726,000</u>
Basic earnings per share <i>(in Baht)</i>	<u>0.104</u>	<u>0.096</u>	<u>0.104</u>	<u>0.096</u>

21 Dividends

The shareholders of the Company have approved dividends as follows:

	Approval date	Payment schedule	Dividend rate per share <i>(Baht)</i>	Amount <i>(in thousand Baht)</i>
<i>2021</i>				
2020 Interim dividends	13 January 2021	February 2021	0.01	3,336
2020 Interim stock dividends	13 January 2021	February 2021	0.05	30,000
2020 Annual dividends	21 April 2021	May 2021	0.05	32,999
2021 Interim dividends	24 December 2021	January 2022	0.01	3,669
2021 Interim stock dividends	24 December 2021	January 2022	0.05	33,000
Total				<u>103,004</u>
<i>2020</i>				
2019 Annual dividends	2 April 2020	April 2020	0.01	6,000

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22 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Consolidated/Separate financial statements		
	Carrying amount	Financial instruments measured at amortised cost	Fair value
	Hedging instruments		Level 2
<i>At 31 December</i>		(in thousand Baht)	
2021			
Financial liabilities			
Long-term borrowings from financial institutions	-	(69,716)	(69,705)
Interest rate swaps used for hedging	(12)	-	(11)
2020			
Financial liabilities			
Long-term borrowings from financial institutions	-	(100,868)	(100,480)
Interest rate swaps used for hedging	(429)	-	(396)
Forward exchange contract	(22,526)	-	(22,526)

The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

Type	Valuation technique
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies
Interest rate swaps	<i>Swap models:</i> The present value of estimated future cash flows, using an observable yield curve.

The fair value of financial liabilities measured at amortised costs are calculated by discounted cash flows technique.

(b) Financial risk management policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in

Applied DB Public Company Limited and its Subsidiaries

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relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers

(b.1.1) Trade accounts receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 16.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from Chief Financial Officer ("CFO").

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 120 days. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables

Information relevant to trade accounts receivables are disclosed in note 6 and 16, respectively.

(b.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

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The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

<i>At 31 December</i>	Carrying amount	Consolidated financial statements			
		Contractual cash flows			
		1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total
		<i>(in thousand Baht)</i>			
2021					
Non-derivative financial liabilities					
Bank overdrafts	2,541	2,541	-	-	2,541
Promissory notes	270,482	270,482	-	-	270,482
Liabilities under trust receipts	57,430	57,430	-	-	57,430
Trade accounts payable	256,239	256,239	-	-	256,239
Other payables	62,151	62,151	-	-	62,151
Long-term borrowings from financial institutions	69,716	28,143	26,919	17,965	73,027
Lease liabilities	4,634	1,909	1,380	1,757	5,046
Total	723,193	678,895	28,299	19,722	726,916
Derivative financial liabilities					
Interest rate swaps used for hedging	12	12	-	-	12
Total	12	12	-	-	12

<i>At 31 December</i>	Carrying amount	Consolidated/Separate financial statements			
		Contractual cash flows			
		1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total
		<i>(in thousand Baht)</i>			
2020					
Non-derivative financial liabilities					
Promissory notes	176,351	176,351	-	-	176,351
Liabilities under trust receipts	13,560	13,560	-	-	13,560
Trade accounts payable	197,952	197,952	-	-	197,952
Other payables	47,183	47,183	-	-	47,183
Long-term borrowings from financial institutions	100,868	34,129	28,143	44,884	107,156
Lease liabilities	4,025	2,437	1,053	690	4,180
Total	539,939	471,612	29,196	45,574	546,382

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Consolidated/Separate financial statements					
At 31 December	Carrying amount	Contractual cash flows			Total
		1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	
			(in thousand Baht)		
Derivative financial liabilities					
Interest rate swaps used for hedging	429	417	12	-	429
Forward exchange contracts used for hedging					
- Cash outflow	22,256	22,892	-	-	22,892
Total	22,955	23,309	12	-	23,321
At 31 December	Carrying amount	Separate financial statements			Total
		1 year or less	Contractual cash flows		
			More than 1 year but less than 2 years	More than 2 years but less than 5 years	
			(in thousand Baht)		
2021					
Non-derivative financial liabilities					
Bank overdrafts	2,541	2,541	-	-	2,541
Promissory notes	270,482	270,482	-	-	270,482
Liabilities under trust receipts	57,430	57,430	-	-	57,430
Trade accounts payable	256,239	256,239	-	-	256,239
Other payables	62,075	62,075	-	-	62,075
Long-term borrowings from financial institutions	69,716	28,143	26,919	17,965	73,027
Lease liabilities	4,634	1,909	1,380	1,757	5,046
Total	723,117	678,819	28,299	19,722	726,840
Derivative financial liabilities					
Interest rate swaps used for hedging	12	12	-	-	12
Total	12	12	-	-	12

The cash outflow disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

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(b.3) Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

Exposure to foreign currency at 31 December	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
United States Dollars				
Cash and cash equivalents	38,006	9,326	37,740	9,180
Trade accounts receivable	132,505	113,744	132,505	113,744
Interest-bearing liabilities	(57,430)	(5,465)	(57,430)	(5,465)
Trade accounts payable	(34,445)	(53,603)	(34,445)	(53,603)
Other payables	(3)	(172)	(3)	(172)
Net statement of financial position exposure	78,633	63,830	78,367	63,684
Currency forwards purchase	-	15,361	-	15,361
Net exposure	78,633	79,191	78,367	79,045
Euro				
Cash and cash equivalents	111	108	111	108
Trade accounts receivable	107	1,934	107	1,934
Net statement of financial position exposure	218	2,042	218	2,042

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

Impact to profit or loss	Movement (%)	Consolidated financial statements		Separate financial statements	
		Profit or loss		Profit or loss	
		Strengthening	Weakening	Strengthening	Weakening
		<i>(in thousand Baht)</i>			
At 31 December 2021					
United States Dollars	5.00	(3,927)	3,927	(3,918)	3,918
Euro	10.00	(22)	22	(22)	22
At 31 December 2020					
United States Dollars	5.00	(3,191)	3,191	(3,184)	3,184
Euro	10.00	(204)	204	(204)	204

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(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates (see note 11) are mainly variable. So the Group is primarily exposed to interest rate risk. The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates and uses derivatives, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

<i>Exposure to interest rate risk at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Financial instruments with variable interest rates</i>				
Financial liabilities	69,716	100,868	69,716	100,868
Interest rate swaps	(2,000)	(14,000)	(2,000)	(14,000)
	67,716	86,868	67,716	86,868

Interest rate swap contract

On 8 June 2017, the Group entered into an interest rate swap agreement for a long-term borrowings amounted of Baht 57 million swapping a floating interest rate THBFIX 1-month plus 1.82 per annum to a fixed interest rate of 4.90 per annum, with settlement every months starting on June 2017 until February 2022.

Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 1% in interest rates at the reporting date; this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

<i>At 31 December</i>	Consolidated/Separate financial statements			
	Profit or loss		Equity, net of tax	
	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
	<i>(in thousand Baht)</i>			
2021				
Financial instruments with variable interest rate	(615)	615	-	-
Interest rate swaps	81	(81)	1	(1)
Cash flow sensitivity (net)	(534)	534	1	(1)
2020				
Financial instruments with variable interest rate	(952)	952	-	-
Interest rate swaps	207	(207)	1	(1)
Cash flow sensitivity (net)	(745)	745	1	(1)

23 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 regularly monitors the return on capital and monitors the level of dividends to ordinary shareholders.

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24 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Capital commitments				
<i>Contracted but not provided for:</i>				
Building, machinery and equipment	-	8,733	-	8,733
Total	-	8,733	-	8,733
Other commitments				
Lease of low-value assets	1,032	1,177	1,032	1,177
Unused letters of credit for purchase goods	12,268	23,547	12,268	23,547
Bank guarantees	4,363	4,363	4,363	4,363
Total	17,663	29,087	17,663	29,087

Significant agreement

As at 31 December 2021, the Company had a technical consultant service agreement with an other party ("the service provider"). Under the term of the agreement, the service provider agreed to provide consulting on a technical production advice of sealant for the Company. In consideration thereof, the Company agreed to pay a service fee to the service provider at the agreed rate as stipulated in the agreement. This agreement is effective for a period of 2 years, which will be expire in December 2022.

25 Events after the reporting period

At the Board of Directors' meeting of the Company held on 22 February 2022, the Company's Board of Directors approved to propose to the annual general shareholders' meeting of the Company for approval to declare the dividends from the profit for the equity holders of the Company for the year 2021 of Baht 0.05 per share for 726 million ordinary shares, totaling Baht 36 million. The declaration of dividend payment must be approved by the shareholders' meeting of the Company.

- Attachment 1 -

Information of Board of Director

Mr.Pawat Wongtangtrakul (Age 79 years)

Chairman of the Board

(Directors who are authorized signatories of the company as stipulated in the affidavit)

History of appointment

- First appointment on January 4, 2005
- Last appointment on March 13, 2017
- Number of years as a Director 17 years (5 terms)

Education

- High school, Mechanical Engineering Dept, Taichung Mechanical College, Taiwan.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 135/2017

Other training courses in 2021 : - None -

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 2 Companies

- Director of SAVEMOR International Co.,Ltd.
- Director of PWT Land Co.,Ltd.

5 Years Past of work Experiences

- Year 2005 – 2017 Chairman of Board of Director of Applied DB Industrial Co.,Ltd.

Shareholding in the Company as at December 30, 2021

- Directs : 3.7027%
- Indirects : None

Family Relationship among Directors and Executives

- Brother of Mr. Wang Wanapaisan
- Uncle of Mr. Wei Kai Wang and Mr. Kang Hsu Liu

Meeting attendance in the year 2021

- Board of Director 7/7 Times (100%)

Illegal Record in past of 10 years : - None -



Mr.Wang Wanapaisan (Age 70 years)

Director / Chairman of Executive Committee /

Risk Management Committee / Chief Executive Officer

(Directors who are authorized signatories of the company as stipulated in the affidavit)

History of appointment

- First appointment on January 4, 2005
- Last appointment on March 13, 2017
- Number of years as a Director 17 years (5 terms)

Education

- High school, Chemical Engineer, Tai Chung Technical High School, Taiwan.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 131/2016

Other training courses in 2021

- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 2 Companies

- Chairman of the Board of Director of ADB BIO Co.,Ltd.
- Director of All New Vision Co.,Ltd.

5 Years Past of work Experiences

- Year 2005 – 2017 Director / Chief Executive Officer of Applied DB Industrial Company Limited
- Year 2015 – 2018 Director of TVDI Vietnam
- Year 2013 – 2018 Director of Hypanique Co.,Ltd.

Shareholding in the Company as at December 30, 2021

- Direct : 7.8315%
- Indirect : 2.3603%

Family Relationship among Directors and Executives

- Brother of Mr.Pawat Wongtangtrakul
- Uncle of Mr. Wei Kai Wang and Mr. Kang Hsu Liu

Meeting attendance in the year 2021

- | | |
|-----------------------------|------------------|
| • Board of Director | 7/7 Times (100%) |
| • Risk Management Committee | 2/2 Times (100%) |
| • Executive Committee | 6/6 Times (100%) |

Illegal Record in past of 10 years : - None -



Mr.Rattanachai Wongcharoensin (Age 72 years)

Director

History of appointment

- First appointment on January 4, 2005
- Last appointment on June 23, 2020
- Number of years as a Director 17 years (5 terms)

Education

- Primary, Lasalle School.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 131/2016

Other training courses in 2021

- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies : - None -

Position in Non Listed Companies : - None -

Present : 5 Companies

- Director of Charoensin Tannery Co.,Ltd.
- Director of Charoensin Tannery Industry Co.,Ltd.
- Chairman of the Board of Thai TTN Nonwoven Solution Co.,Ltd.
- Chairman of the Board of Songmao Nonwoven Co.,Ltd.
- Director of EAGLE Chemical Industry Co.,Ltd.

5 Years Past of work Experiences

- Year 1989 - 2020 Director of Sunshine Plastic Products Co.,Ltd.
- Year 2002-2021 Director of Sang Burapa Rubber Co.,Ltd.

Shareholding in the Company as at December 30, 2021

- Direct : 0.0409%
- Indirect : - None -

Family Relationship among Directors and Executives

- Father of Mr. Wutthichai Wongcharoesin
- Uncle of Mr. Veerachai Wongcharoensin

Meeting attendance in the year 2021

- Board of Director 7/7 Times (100%)

Illegal Record in past of 10 years : - None -



Ms. Pornpiwan Niramoncherdchay (Age 51 years)

Director / Risk Management Committee / Executive Committee /

Managing Director

History of appointment

- First appointment on June 1, 2006
- Last appointment on April 19, 2018
- Number of years as a Director 15 Years (5 terms)

Education

- Master of Business Administration (Finance), Assumption University.
- Bachelor of Arts Council, Chulalongkorn University.
- Diploma Beijing Language and Culture University.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 131/2016
- Director Certification Program (DCP) Class 265/2018
- Chief Transformation Officer (CTO)
- Director Certification Program (Diploma)

Other training courses in 2021 :

- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 1 Companies

- Secretary General of Association of Companies Listed in the Market for Alternative Investment (MAI).

5 Years Past of work Experiences

- Year 2017 – 2019 Director / Executive Committee / Vice President of Finance and Accounting / Vice President of Office Administration of Applied DB Public Company Limited.
- Year 2006 – 2017 Director / Executive Committee / Vice President of Finance and Accounting / Vice President of Office Administration of Applied DB Industrial Co.,Ltd.

Shareholding in the Company as at December 30, 2021

- Direct : 0.8948%
- Indirect : 0.6167%

Family Relationship among Directors and Executives : - None -

Meeting attendance in the year 2021

- Board of Director 7/7 Times (100%)
- Risk Management Committee 2/2 Times (100%)
- Executive Committee 6/6 Times (100%)

Illegal Record in past of 10 years : - None -



Mr. Wei Kai Wang (Age 48 years)

Director / Risk Management Committee / Executive Committee /

Vice President of Plastic Compound

(Directors who are authorized signatories of the company as stipulated in the affidavit)

History of appointment

- First appointment on December 6, 2007
- Last appointment on April 19, 2018
- Number of years as a Director 14 Years (4 terms)

Education

- Master of Business Administration (EMBA), National Taipei University of Technology Taiwan.
- Bachelor of Business Administration, Cumberland College, USA.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 135/2017

Other training courses in 2021

- June 30 Sustainable Business Strategy Course by Harvard Business School Online.
- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 3 Companies

- Director of President ADB USA Inc.
- Director of President SPARKO USA Inc.
- Director of Red Phoenix Venture

Meeting attendance in the year 2021

- | | |
|-----------------------------|------------------|
| • Board of Director | 7/7 Times (100%) |
| • Risk Management Committee | 2/2 Times (100%) |
| • Executive Committee | 6/6 Times (100%) |

5 Years Past of work Experiences

- Year 2017 – Present Director of President ADB USA Inc.
- Year 2017 – Present Director of President SPARKO USA Inc.
- Year 2011 – Present Director of Red Phoenix Venture
- Year 2007 – 2017 Director / Executive Committee / Vice President of Manufacturing of Applied DB ndustrial Co.,Ltd.

Illegal Record in past of 10 years : - None -

Shareholding in the Company as at December 30, 2021

- Direct : 2.7102%
- Indirect : - None -

Family Relationship among Directors and Executives

- Nephew of Mr. Pawat Wongtantrakul and Mr. Wang Wanapaisorn
- Cousin with Mr. Kang Hsu Liu



Mr.Veerachai Wongcharoensin (Age 43 years)

Director / Risk Management Committee / Executive Committee /

Vice President of Adhesive

(Directors who are authorized signatories of the company as stipulated in the affidavit)

History of appointment

- First appointment on May 2, 2013
- Last appointment on April 19, 2018
- Number of years as a Director 9 Years (3 terms)

Education

- Master of Business Administration, University of Technology Sydney, Australia
- Bachelor of Engineering (Industrial Engineering), Thammasat University.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 132/2016

Other training courses in 2021

- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 8 Companies

- Director of ADB BIO Co.,Ltd.
- Director of Venture Inter Plus Co.,Ltd.
- Director of Charoensin Resident Co.,Ltd.
- Director of Smart Sense Industrial Design Co.,Ltd.
- Director of Charoensin Holding Co.,Ltd.
- Director of Charoensin Condotown Co.,Ltd.
- Director of Charoensin Supermart Co.,Ltd.
- Director of Charoensin Capital Co.,Ltd.

5 Years Past of work Experiences

- Year 2012 – 2020 Director of Miracle Jewelry Co.,Ltd.
- Year 2012 – 2018 Director of CS Rubber Industry Co., Ltd.
- Year 2012 – 2018 Director of The Lovemarks Co.,Ltd.
- Year 2012 – 2017 Director of Thai Wiring System Co.,Ltd.
- Year 2006 – 2017 Director of Charoensin Thani Co.,Ltd.



Shareholding in the Company as at December 30, 2021

- Direct : 0.0917%
- Indirect : - None -

Family Relationship among Directors and Executives

- Nephew of Mr. Rattachai Wongchareonsin
- Cousin with Mr.Wutthichai Wongchareonsin

Meeting attendance in the year 2021

- | | |
|-----------------------------|------------------|
| • Board of Director | 7/7 Times (100%) |
| • Risk Management Committee | 2/2 Times (100%) |
| • Executive Committee | 6/6 Times (100%) |

Illegal Record in past of 10 years : - None -

Mr. Wuttichai Wongcharoensin (Age 45 years)

Director / Risk Management Committee / Executive Committee

(Directors who are authorized signatories of the company as stipulated in the affidavit)

History of appointment

- First appointment on July 21, 2016
- Last appointment on April 19, 2019
- Number of years as a Director 6 Years (2 Terms)

Education

- Master of Business Administration, Westminster College, USA.
- Bachelor of International Business Management Faculty of Business Administration Assumption University.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 135/2017
- Director Certification Program (DCP) Class 277/2019

Other training courses in 2021

- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 11 Companies

- Director of UR Family Co.,Ltd.
- Director of Venture Inter Plus Co.,Ltd.
- Director of Valusafe Co.,Ltd.
- Director / Managing Director of TTN Nonwoven Solution Co.,Ltd.
- Director of Thai Wiring System Co.,Ltd.
- Director of Songmao Nonwoven Co.,Ltd.
- Director of Sunshine Plastic Products Co.,Ltd.
- Director of Mimi Industrial Co.,Ltd.
- Director of LEO Company Co.,Ltd.
- Director of Thai Nisshoku Co.,Ltd.
- Director of Charoensin Holding Co.,Ltd.

5 Years Past of work Experiences

- Year 2013 – Present Director of UR Family Co.,Ltd.
- Year 2004 – Present Director of Thai Wiring System Co.,Ltd.
- Year 2003 – Present Director of Sunshine Plastic Products Co.,Ltd.
- Year 2002 – Present Director of Charoensin Holding Co.,Ltd.
- Year 2002 – Present Director of Songmao Nonwoven Co.,Ltd.
- Year 2001 – Present Director / Managing Director of TTN Nonwoven Solution Co.,Ltd.



Shareholding in the Company as at December 30, 2021

- Direct : 0.0409%
- Indirect : - None -

Family Relationship among Directors and Executives

- Son of Mr.Ratthanachai Wongchareonsin
- Cousin with Mr.Veerachai Wongchareonsin

Meeting attendance in the year 2021

- Board of Director 7/7 Times (100%)
- Risk Management Committee 2/2 Times (100%)
- Executive Committee 6/6 Times (100%)

Illegal Record in past of 10 years : - None -

Dr. Mongkon Laoworapong (Age 52 years)

Independent Director / Chairmen of The Audit Committee /
Chairmen of The Risk Management Committee / Chairmen of
The Investment Advisory Board Committee

History of appointment

- First appointment on July 1, 2016
- Last appointment on April 19, 2019
- Number of years as a Director 6 Years (2 Terms)

Education

- Doctoral of Business Administration, (Accounting), Thammasat University.
- Master of Accounting, Thammasat University.
- Bachelor of Accounting, Thammasat University.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class BJC/2004
- Director Certification Program (DCP) Class 88/2007
- Audit Committee Program (ACP) Class 18/2007
- Monitoring the Internal Audit Function (MIA) Class 03/2008
- Successful Formulation & Execution of Strategy (SFE) Class 15/2012
- How to Measure the Success of Corporate Strategy (HMS) Class 03/2013
- Chartered Director Class (CDC) Class 08/2014
- Boardroom Success through Financing and Investment (BFI) Class 5/2018

Other training courses in 2021

- May 5 Ethical Leadership Program Course by IOD
- September 15-29 Governance, Stewardship & Sustainability Course by ICGN
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.
- Seminar on Financial Reporting Standards, Cyber risk audit, Anti-money laundering and countering the financial of terrorism and money laundering legislation.

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies

Present : 3 Companies

- Independent Director / Audit Committee of Sahakol Equipment PCL.
- Independent Director / Audit Committee / Risk Management Committee / Nomination and Remuneration Committee of CPL Group PCL.
- Independent Director of AEON Thana Sinsap (Thailand) PCL.

Position in Non Listed Companies

Present : 2 Companies

- Accounting Standard Setting Committee, Federation of Accounting Professions.
- Independent Director / Audit Committee and Risk Management Committee of Charoensin Asset Co.,Ltd.



5 Years Past of work Experiences

- Year 2021 - Present Managing Director Quality Assurance Service Co.,Ltd.
- Year 2018 - 2021 Assistant Managing Director of Karin Audit Co.,Ltd.
- Year 2017 – 2021 Director of Absolute Growth Co.,Ltd.
- Year 2017 - 2018 Chief Financial Officer of Begistics Public Company Limited.
- Year 2015 - 2016 Assistant Managing Director of Karin Audit Co.,Ltd.
- Year 2009 – Present Visiting Lecturer of Faculty of Commerce and Accountancy, Thammasat University.

Shareholding in the Company as at December 30, 2021 : - None -

Family Relationship among Directors and Executives : - None -

Meeting attendance in the year 2021

- | | |
|---------------------------------------|------------------|
| • Board of Director | 7/7 Times (100%) |
| • Audit Committee | 4/4 Times (100%) |
| • Risk Management Committee | 2/2 Times (100%) |
| • Investment Advisory Board Committee | 1/1 Times (100%) |

Illegal Record in past of 10 years : - None -

Asst. Prof. Dr. Monpilai H. Narasingha (Age 53 years)

Independent Director / Audit Committee / Risk Management Committee /
Investment Advisory Board Committee

History of appointment

- First appointment on July 1, 2016
- Last appointment on June 23, 2020
- Number of years as a Director 6 Years (2 Terms)

Education

- Ph.D. Mining and Minerals Engineering (Coal Engineering), Virginia Polytechnic Institute and State University, USA.
- M.Sc. in Chemical Technology (Chemical Engineering), Chulalongkorn University, Bangkok, Thailand.
- B.Sc. in Chemical Engineering, Chulalongkorn University, Bangkok, Thailand

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 131/2016
- Director Certification Program (DCP) Class 265/2018

Other training courses in 2021

- September 21 Safety Standards Workshop Using ESPReL Course by the Energy, Environment, Occupational Safety and Health Management Center King Mongkut's University of Technology Thonburi.
- October 21 Sustainable and Climate Risk Course by Global Association of Risk Professional (GARP).
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 2 Companies

- Director of Society of Chemical Engineering and Applied Chemistry of Thailand.
- Lecturer at Department of Chemical Engineering Faculty of Engineering King Mongkut's University of Technology North Bangkok.

5 Years Past of work Experiences

- Year 2015 - 2018 Director of TGGs Co.,Ltd.

Shareholding in the Company as at December 30, 2021 : - None -

Family Relationship among Directors and Executives : - None -

Meeting attendance in the year 2021

- | | |
|---------------------------------------|------------------|
| • Board of Director | 7/7 Times (100%) |
| • Audit Committee | 4/4 Times (100%) |
| • Risk Management Committee | 2/2 Times (100%) |
| • Investment Advisory Board Committee | 1/1 Times (100%) |

Illegal Record in past of 10 years : - None -



Mrs.Kanchana Piyasatit (Age 67 years)

Independent Director / Audit Committee

History of appointment

- First appointment on May 11, 2018
- Last appointment on April 19, 2019
- Number of years as a Director 4 Years (1 Term)

Education

- Master of Law Ramkhamhaeng University.
- Master of Science in Public Administration Chulalongkorn University.
- Bachelor of Law Thammasat University.
- Bachelor of Accounting, Thammasat University.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 123/2016
- Role of the Chairman Program (RCP) Class 38/2016

Other training courses in 2021

- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies

Present : 1 Companies

- Director / Independent Director / Chairman of the Nomination and Remuneration Committee of Built Land Public Company Limited.

Position in Non Listed Companies : - None -

5 Years Past of work Experiences

- Year 2018 - Present Director / Independent Director / Chairman of the Nomination and Remuneration Committee of Built Land Public Company Limited.
- Year 2015 - 2018 Independent Director / Chairman of the Audit Committee of Built Land Public Company Limited.

Shareholding in the Company as at December 30, 2021 : - None -

Family Relationship among Directors and Executives : - None -

Meeting attendance in the year 2021

- Board of Director 7/7 Times (100%)
- Audit Committee 4/4 Times (100%)

Illegal Record in past of 10 years :- None -



Mr. Yang Chung Jen (Age 49 years)

Independent Director

History of appointment

- First appointment on March 13, 2017.
- Last appointment on June 23, 2020.
- Number of years as a Director 5 Years (2 Terms)

Education

- Master of Business Administration Banking and Finance, Manchester Business School, The University of Manchester, United Kingdom
- Bachelor B.A., Dual degrees in Business Administration and Tourism, Chinese Culture University.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 139/2017

Other training courses in 2021

- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Other Companies which may have Conflict of Interest Against ADB : - None -

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 1 Companies

- Senior Vice President of Bangkok Grand Pacific Lease Public Company Limited.

5 Years Past of work Experiences

- Year 2000 – Present Senior Vice President of Bangkok Grand Pacific Lease Public Company Limited.

Shareholding in the Company as at December 30, 2021 : - None -

Family Relationship among Directors and Executives : - None -

Meeting attendance in the year 2021

- Board of Director 7/7 Times (100%)

Illegal Record in past of 10 year : - None -



Details of the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary.

Mr. Jirawat Akkranupornpong (Age 44 years)

Chief Financial Officer / Executive Director

(Highest responsibility in Accounting and Finance)

Date of appointment as the highest responsibility in Accounting and Finance

- January 1, 2020

Education

- Master of Science in Accountancy, University of Illinois at Urbana Champaign, IL, USA.
- Master of Business Administration, California State University Fullerton, CA, USA.
- Bachelor of Finance, Faculty of Commerce and Accountancy Thammasat University.

Other training courses in 2021

- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 2 Companies

- Director of ADB USA Inc.
- Director of SPARKO USA Inc.

5 Years Past of work Experiences

- Year 2017 – Present Director of ADB USA Inc.
- Year 2017 – Present Director of SPARKO USA Inc.

Shareholding in the Company as at December 30, 2021

- Direct : 0.1154%
- Indirect : - None -

Family Relationship among Directors and Executives : - None -

Meeting attendance in the year 2021

- Executive Committee 6/6 Times (100%)

Illegal Record in past of 10 years : - None -



Mr.Kang Hsu Liu (Age 50 years)

Executive Committee / Vice President of Sealant & DIY Department

Appointed as Executive

- June 16, 2008.

Education

- Bachelor in Engineering, Wichita State University, USA.

Training by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) Class 158/2019

Other training courses in 2021

- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Position in Other Listed Companies : - None -

Position in Non Listed Companies : - None -

5 Years Past of work Experiences : - None -

Shareholding in the Company as at December 30, 2021

- Direct : 0.0152%
- Indirect : - None -

Family Relationship among Directors and Executives

- Nephew of Mr. Pawat Wongtantrakul and Mr. Wang Wanapaison
- Cousin with Mr. Wei Kai Wang

Meeting attendance in the year 2021

- Executive Committee 6/6 Times (100%)

Illegal Record in past of 10 years : - None -



Mr. Piriya Mounkram (Age 42 years)

Executive Committee / Risk Management Committee /

Vice President of Technical Department.

Appointed as Executive

- January 15, 2002.

Education

- Bachelor of Materials Technology (Petrochemicals and Polymer Materials)
Silpakorn University.

Other training courses in 2021

- May 20 Basic knowledge of Carbon Footprint course by Dr. Umarat/Dr. Supakit
- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr. Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 1 Companies

- Director of ADB Bio Co., Ltd.

5 Years Past of work Experiences : - None -

Shareholding in the Company as at December 30, 2021

- Direct : 0.0500%
- Indirect : - None -

Family Relationship among Directors and Executives : - None -

Meeting attendance in the year 2021

- Executive Committee 6/6 Times (100%)
- Risk Management Committee 2/2 Times (100%)

Illegal Record in past of 10 years : - None -



Mr. Siripong Luewongwattana (Age 50 years)

Vice President of Sales Plastic Compound Department.

Appointed as Executive

- January 4, 2005.

Education

- Bachelor in Marketing, Kasem Bundit University.

Other training courses in 2021

- November 19 Thai Private Sector Collective Action Against Corruption (CAC)
Course by Dr.Mongkon Laoworapong.

Position in Other Listed Companies : - None -

Position in Non Listed Companies : - None -

5 Years Past of work Experiences : - None -

Shareholding in the Company as at December 30, 2021

- Direct : 0.0045%
- Indirect : - None -

Family Relationship among Directors and Executives : - None -

Illegal Record in past of 10 years : - None -



Mrs.Wichittra Thubburee (Age 56 years)

Vice President of Internal Control and Management System.

Appointed as Executive

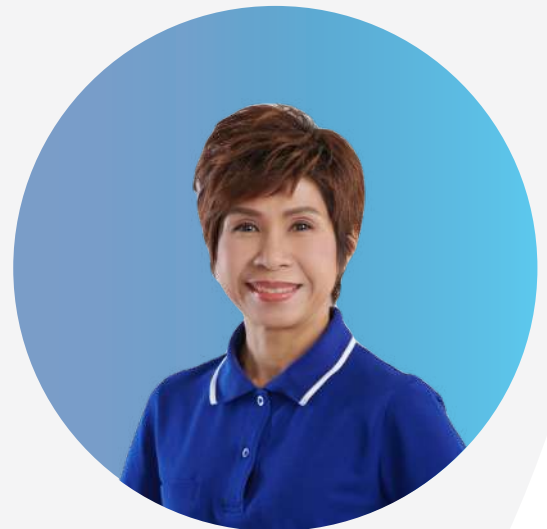
- January 1, 2020.

Education

- Master of Business Administration Logistics and Supply Chain
Management Ramkhamhaeng university.
- Bachelor of Public Administration Ramkhamhaeng University.
- Bachelor of Accounting, Suan Dusit Rajabhat University.

Training by the Thai Institute of Directors Association (IOD)

- Company Reporting Program (CRP) Class 18/2017
- Company Secretary Program (CSP) Class 80/2017
- How to Develop a Risk Management Plan (HRP) Class 15/2017
- Anti-Corruption: The Practical Guide (ACPG) Class 45/2018



Other training courses in 2021

- March 12 Using Microsoft Excel for work course by Mr.Santan Cheeranoravanich/ADB.
- March 29 EC01: Sustainable supply chain management Class 1 course by The Stock Exchange of Thailand.
- May 5 Ethical Leadership Program course by IOD.
- May 20 Basic knowledge of Carbon Footprint course by Dr. Umarat/Dr. Supakit.
- May 27 Introducing the Task Force for Climate- related Financial Disclosures (TCFD) course by CDP.
- June 18 TCFD Deep Dive: Aligning Corporate Business Strategies with SDGs course by CDP.
- July 1-31 RE01 : Preparation Sustainability Disclosure according to One Report by The Stock Exchange of Thailand.
- July 22 Understanding Google Tools to increase productivity course by The Stock Exchange of Thailand.
- September 7 How to Adapt to Survive in the COVID 19 Course by Ms.Pornpiwan Niramoncherdchay/ADB.
- September 24 How to use the SET Link system Course by Ms.Alisara Meechok/ADB.
- October 18 TCFD Deep Dive: Climate risk assessments & Scenario Analysis Course by CDP
- October 21 หลักสูตร Understanding Climate Change as Business Drivers Course by The Stock Exchange of Thailand.
- November 4 Using Data Studio course by Ms.Mei Ling Shih/ADB
- May 20 Basic knowledge of Carbon Footprint course by Dr. Umarat/Dr. Supakit
- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.
- November 26 2021 Important Company Policies and Quality Management System Course By Ms.Nittaya / Ms.Namtan

Position in Other Listed Companies : - None -

Position in Non Listed Companies

Present : 2 Companies

- Director of ADB USA Inc.
- Director of SPARKO USA Inc.

5 Years Past of work Experiences

- Year 2017 – Present Director of ADB USA Inc.
- Year 2017 – Present Director of SPARKO USA Inc.

Shareholding in the Company as at December 30, 2021

- Direct : 0.2641%
- Indirect : - None -

Family Relationship among Directors and Executives : - None -

Illegal Record in past of 10 years : - None -

Mr.Chang Chin Kuei (Age 46 years)

Vice President of Maintenance Department.

Appointed as Executive

- January 1, 2021.

Education

- High School, Department of Machine Paul Hsu Senior High School.

Other training courses in 2021

- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

Position in Other Listed Companies : - None -

Position in Non Listed Companies : - None -

5 Years Past of work Experiences

- Year 2021 – Present Vice President of Maintenance Department of Applied DB Public Company Limited.
- Year 2017 – 2020 Assistant Vice President of Maintenance Department of Applied DB Public Company Limited.

Shareholding in the Company as at December 30, 2021

- Direct : 0.3180%
- Indirect : - None -

Family Relationship among Directors and Executives : - None -

Illegal Record in past of 10 years : - None -



Ms.Nutta Likitrujanont (Age 58 years)

Vice President of Operation Department.

Appointed as Executive

- January 1, 2020.

Education

- Diploma of Marketing, Krirk College.

Other training courses in 2021

- March 29 EC01: Sustainable Supply Chain Management Class 1 course by The Stock Exchange of Thailand.
- September 10 Important Company Policy that you should know in the year 2021 course by Mrs.Wichitra Thubburee/ADB
- October 15 Communication arts, work order, teaching work, job control, Assignment for supervisors Course by Ajarn Prasit Sophrueksri.
- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.
- November 26 2021 Important Company Policies and Quality Management System Course By Ms.Nittaya / Ms.Namtan

Position in Other Listed Companies : - None -

Position in Non Listed Companies : - None -

5 Years Past of work Experiences

- Year 2020 – Present Vice President of Operation Department of Applied DB Public Company Limited.
- Year 2018 – 2019 Acting Vice President of Resources Department of Applied DB Public Company Limited.
- Year 2017 – 2018 Assistant Vice President of Purchasing of Applied DB Public Company Limited.

Shareholding in the Company as at December 30, 2021

- Direct : 0.0152%
- Indirect : - None -

Family Relationship among Directors and Executives : - None -

Illegal Record in past of 10 years : - None -



Ms.Sirisuda Sujariyanurak (Age 45 years)

Acting Vice President of Human Resources and Development.

Appointed as Executive

- January 1, 2021.

Education

- Master's degree, Master of Business Administration, Mahanakorn University of Technology.
- Bachelor's degree in Management Sukhothai Thamthirat University.

Training by the Thai Institute of Directors Association (IOD)

- Company Secretary Program (CSP) Class 86/2018

Other training courses in 2021

- March 3 Leadership and the success of teamwork Course by Ms. Benjamas Jailak.
- March 10 AGILITY IN PRACTICE business agility fast forward course by K.Jiranul Sapsrisopa/Bitkub
- March 12 Using Microsoft Excel for work course by Mr.Santan Cheeranoravanich/ADB.
- March 25 The Secret of Storytelling What kind of online media appeals to the audience (Online) course by The Stock Exchange of Thailand.
- March 29 How to Make Sustainability in Harmony with Business (Online) Course by Rakphong Aroonwattana/Home Product Center Management Public Company Limited and Ratinan Wongwatcharanon/Thai Wah Khad Public Company Limited).
- April 27 PDPA Personal Protection Act. course by Society of Human Resources Network
- June 2 People Management Tips for Professional Leaders course by Dr.Fish Stories
- July 1-31 RE01 : Preparation Sustainability Disclosure according to One Report by The Stock Exchange of Thailand.
- August 1-31 P01 : Fundamentals of Business Sustainability Course by The Stock Exchange of Thailand.
- September 7 How to Adapt to Survive in the COVID 19 Course by Ms.Pornpiwan Niramomcherdchay/ADB
- September 10 Important Company Policy that you should know in the year 2021 course by Mrs.Wichitra Thubburee/ADB
- September 24 How to use the SET Link system Course by Ms.Alisara Meechok/ADB
- October 15 Communication arts, work order, teaching work, job control, Assignment for supervisors Course by Ajarn Prasit Sophrueksri.
- October 15 8D principles to apply to problem solving tasks Course by Ms. Kanyarat Aussawamaitree/ADB.
- November 18 TCFD & SDGs Workshop: TCFD in Finance Course by The Stock Exchange of Thailand.
- November 19 ESG Directions: From Theory to Practice Course by The Stock Exchange of Thailand.
- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.



- 25 November Human Resources Management to Intersect with the Personal Data Protection Act B.E. 2562 (2019) Course by Ajarn Patok Naruk.
- December 8 Savings for Working Ages and preparation before retirement age course by Ms.Pornpiwan Niramomcherdchay / ADB.

5 Years Past of work Experiences

- Year 2021 – Present Acting Vice President of Human Resources and Development of Applied DB Public Company Limited.
- Year 2020 Assistant Vice President of Administration Department of Applied DB Public Company Limited.
- Year 2017 – 2019 Manager of Human Resources and Administration of Applied DB Public Company Limited.
- Year 2011 – 2017 Manager of Human Resources and Administration of Applied DB Industrial Co.,Ltd.

Shareholding in the Company as at December 30, 2021

- Direct : 0.0984%
- Indirect : - None -

Family Relationship among Directors and Executives : - None -

Illegal Record in past of 10 years : - None -

Mr. Chen Cheng Hsien (Age 46 years)

Acting Vice President of Information Technology Department.

Appointed as Executive

- January 1, 2021.

Education

- Bachelor Degree, Electrical Engineering of China University Science of Technology.

Other training courses in 2021

- November 22-23 Risk Assessment to prevent catastrophic Incidents in the chemical industry and Management for industrial plants to prevent flooding Course by the Society of Applied Chemical Engineers of Thailand.

5 Years Past of work Experiences

- Year 2021 – Present Acting Vice President of Information Technology Department of Applied DB Public Company Limited.
- Year 2016 – 2020 Manage of IT of Taiwan love tourism Marketing

Shareholding in the Company as at December 30, 2021 : - None -

Family Relationship among Directors and Executives : - None -

Illegal Record in past of 10 years : - None -



Mrs. Nokjinda Non-asa (Age 41 years)

Accounting Manager (Account Controller)

Appointed as Account Controller

- September 17, 2009.

Education

- Bachelor of Business Administration (Accounting),
Suan Dusit Rajabhat University.
- Bachelor of Science Rajabhat Maha Sarakham University.

Other training courses in 2021

- March 3 Leadership and the success of teamwork Course by Ms. Benjamas Jailak.
- April 7 Leadership Coaching Program Course by K.Benjamas Jailak
- May 20 Basic knowledge of Carbon Footprint course by Dr. Umarat/Dr. Supakit
- September 7 How to Adapt to Survive in the COVID 19 Course by Ms.Pornpiwan Niramoncherdchay/ADB
- September 24 How to use the SET Link system Course by Ms.Alisara Meechok/ADB
- October 15 Communication arts, work order, teaching work, job control, Assignment for supervisors Course by Ajarn Prasit Sophrueksri.
- November 19 Thai Private Sector Collective Action Against Corruption (CAC) Course by Dr.Mongkon Laoworapong.
- November 26 2021 Important Company Policies and Quality Management System Course By Ms.Nittaya / Ms.Namtan.
- November 15 Fundamentals of Financial Statement Closing by Accounting Coach (Thailand) Co., Ltd.
- November 30 Inventories and interesting accounting issues Course by Accounting Coach (Thailand) Co., Ltd.

Position in Other Listed Companies : - None -

Position in Non Listed Companies : - None -

5 Years Past of work Experiences : - None -

Shareholding in the Company as at December 30, 2021 : - None -

Family Relationship among Directors and Executives : - None -

Illegal Record in past of 10 years : - None -



Ms.Kanokwan Kongtanakomtunyakid (Age 29 years)

Company Secretary / Investor Relations / Manager of

New Business Development.

Company Secretary position

- Appointed on January 1, 2021.

Education

- Master of Business Administration (MBA) Faculty of Commerce and Accountancy Of Thammasat University.
- Bachelor's degree, Faculty of Arts Chinese Language of Silapakorn University.

Training by the Thai Institute of Directors Association (IOD)

- Company Secretary Program (CSP) Class 114/2020

Other training courses in 2021

- March 3 Leadership and the success of teamwork Course by Ms. Benjamas Jailak.
- April 7 Leadership Coaching Program Course by K.Benjamas Jailak.
- April 28 Crisis preparedness how to communicate How to plan not to get drama in the online world course by Crisis Communication in the Digital Age.
- May 20 Basic knowledge of Carbon Footprint course by Dr. Umarat/Dr.Supakit.
- July 1-31 RE01 : Preparation Sustainability Disclosure according to One Report by The Stock Exchange of Thailand.
- August 1-31 P01 : Fundamentals of Business Sustainability Course by The Stock Exchange of Thailand.
- November 19 Thailand's Private Sector Collective Action Coalition Against Corruption course by Dr.Mongkon Laoworapong.
- December 22 Introduction to Sustainability Reporting and the GRI Standards Course by GRI Academy.

Position in Other Listed Companies : - None -

Position in Non Listed Companies : - None -

5 Years Past of work Experiences

- Year 2021 – Present Company Secretary / Investor Relations / Manager of New Business Development of Applied DB Public Company Limited.
- Year 2019 – 2020 Senior Chief of Information Technology and ERP Department, Applied DB Public Company Limited.
- Year 2017 – 2019 Chief of Information Technology and ERP Department, Applied DB Public Company Limited.

Shareholding in the Company as at December 30, 2021 : - None -

Family Relationship among Directors and Executives : - None -

Illegal Record in past of 10 years : - None -



Duties and Responsibilities of Company Secretary.

Performance of company secretary shall be complied with Section 89/15 and Section 89/16 of Securities and Exchange Act (No. 4) B.E. 2551 which effective date was 31 August 2008. The company secretary shall perform his/her duties with consideration and good faith in compliance with law, objective, work rule, resolution of Board of Directors' meeting and resolution of Shareholders' meeting. In this regard, the qualification, experience, and duties of company secretary shall be as follows:

1. Providing preliminary suggestion related to the rule of law, the relevant regulation that the Company is required to perform by laws, the articles of association. Reporting the significant changes on the relevant legal issues to the Directors.
2. Enhancing knowledge and understanding of the principle of Corporate Governance, Giving the information and encouraging the Board of Directors to comply with such principle, including evaluation.
3. Preparing meeting agendas, supportive documents for board of director' meeting and shareholders' meeting.
4. Arranging shareholders' meeting and board of director's meeting in accordance with the rules of law, article of association.
5. Providing minutes of shareholders' meeting and director' meeting as well as following-up with resolution of the shareholders' meeting and board of director's meeting.
6. Ensuring that directors and executives prepare reports on their interests and related persons. according to legal requirements.
7. Taking responsible for disclosure information and reporting information technology to the competent organization governing the Company according to relevant criteria and regulations.
8. Communicating with shareholders to render the information regarding the rights of shareholders, the Company's feeds and being a mediator between the Company and shareholder or between Board of Directors and Executive Committee.
9. Monitoring the Board of Directors' activities.
10. Arranging the evaluation of Board of Director's operation and reporting the result to the Board of Directors.
11. Followes the changes on laws and regulations pertaining to the Company's business operation in order to give the preliminary advices.
12. Coordinating with the Board of Directors and Executive Committee.
13. Providing and maintaining the following documents;
 - 1) Director Register Book
 - 2) Maintaining the report as to the matters-at-stake reported by Directors or Executive Committee and handling the copies to the Vice President and Chairman of Audit Committee as required by laws.
 - 3) The invitation letter for the Board of Directors meeting including the invitation letter for the meeting of the sub-committees who is the secretary of the Audit Committee. Risk Management Committee Corporate Governance Committee (If there is no specific secretary).
 - 4) Board of Directors minutes and Executive Committee minutes.
 - 5) Notices and minutes for shareholders' meeting.
14. Any other duties that the Board of Directors may consider as appropriate including any other duties as required by relevant laws, rules and regulations The secretary of the listed company must comply.

Information on the position of the Board of Directors and Executives in related companies.

Related Companies	Director/Executive										
	Mr.Pawat Wongtangtrakul	Mr.Wang Wanapaisan	Mr.Rat-tanachai Wongcharoensin	Ms.Pornpiwan Niramongcherdchay	Mr.Wei Kai Wang	Mr.Veerachai Wongcharoensin	Mr.Wuttichai Wongcharoensin	Mr.Mongkon Laoworapong	Mrs.Monpilai Narasingha	Mrs.Kachana Piyasatit	Mr.Yang Chung Jec
Applied DB Public Company Limited	I	II,VI,C	II	II,VII,D	II,VII,M	II,VII,M	II,VII	III, IV	III,V	III,V	III
PWT LAND Co.,Ltd.	II										
Savemor International Co.,Ltd.	II										
Charoensin Tannery Co.,Ltd.			II								
TTN Nonwoven Solution Co.,Ltd.			I				II,D				
Kalavan Co.,Ltd.			I				II				
Sangburapha Rubber Co.,Ltd.											
Sun Sine Product Co.,Ltd.							II				
Charoensin Tanning Industry Co.,Ltd.			II								
Eagle Chemical Industry Co.,Ltd.			II								
Charoensin Holding Co.,Ltd.						II	II				
Charoensin Supermart Co.,Ltd.						II					
UR Family Co.,Ltd.							II				
LEO Company Co.,Ltd.							II				
Thai Wiring System Co.,Ltd.							II				
Venture Inter Plus Co.,Ltd.						II	II				
VT Brother Co.,Ltd.						II					
Smart Sense Industrial Design Co.,Ltd.						II					
Charoensin Condotown Co.,Ltd.						II					
Mimi Industrial Co.,Ltd.							II				
Valusafe Co.,Ltd.							II				
Thai Nisshoku Co.,Ltd.							II				
All New Vission Co.,Ltd.		II									
Red Phoenix Venture					II						
Begistics Public Company Limited.								III,V			
C.P.L. Group Public Company Limited.								III,V			

Related Companies	Director/Executive										
	Mr.Pawat Wongtangtrakul	Mr.Wang Wanapaisan	Mr.Rat-tanachai Wongcharoensin	Ms.Pornpiwan Niramoncherdchay	Mr.Wei Kai Wang	Mr.Veerachai Wongcharoensin	Mr.Wuttichai Wongcharoensin	Mr.Mongkon Laoworapong	Mrs.Monpilai Narasingha	Mrs.Kachana Piyasatit	Mr.Yang Chung Jec
AEON Thana Sinsap (Thailand) Public Company Limited.								III			
Charoensin Asset Co.,Ltd.								III,V			
Built Land Public Company Limited.										II,III	
Bangkok Grand Pacific Lease Public Company Limited.											M
Charoensin Capital Co.,Ltd.						II					
Thai institute of Chemical Engineering and Applied Chemistry.									II		

Remark :

I = Chairman of the Board

V = Audit Committee

D = MDM = Management

II = Director

VI = Chairman of

the Executive Committee

III = Independent Director

VII = Executive Committee

IV = Chairman of the Audit Committee

C = CEO

- Attachment 2 -

Details of the Directors of Sub-Committee

Information on holding positions of directors and executives of the Company in subsidiaries.

As of December 31, 2021, the Company has 3 subsidiaries, namely ADB USA Inc., SPARKO USA Inc. and ADB Bio Company Limited.

No.	List of Directors and Executives	List of Subsidiaries		
		ADB USA Inc.	SPARKO USA Inc.	SPARKO USA Inc.
1	Mr.Wang Wanapaisan			I
2	Mr.Wei Kai Wang	II,M	II,M	II,M
3	Mr.Veerachai Wongcharoensin			II
4	Mr.Jirawat Akkaranupornpong	II	II	
5	Mrs.Wichitra Thubburee	II	II	
6	Mr.Piriya Mouangkram			II

Remark :

I = Chairman of the Board

II = Director

III = Independent Director

IV = Chairman of the Audit Committee

V = Audit Committee

VI = Chairman of the Executive Committee VII = Executive Committee

C = CEO

D = MD

M = Management

- Attachment 3 -

Details of the Heads of the Internal Audit and Compliance Units (Compliance).

Details about the work history and education of key personnel.

Personnel of Ascent Advisory Co., Ltd. are independent from the operation of the business, have qualifications, skills and experiences that can be internally audited in accordance with the COSO 2013 Framework, operate independently and ethically. in order to bring the greatest benefit to the business

1. Ms.Pakkaon Asawatachaphorn (Managing Director)

- Educational background** : Master of Business Administration, Khon Kaen University
- Experience** : Internal control system Financial institutions listed on the Stock Exchange of Thailand for more than 20 years.
- Training** : 1. Certificate Course in Internal Auditors of Thailand (CPIAT), Association of Internal Auditors of Thailand.
2. Financial advisor course Association of Thai Securities Companies.
3. Course 7 Operational Risks and Crisis Response Guidelines.

2. Mr.Narongsak Wangtapunt (Senior Auditor)

- Educational background** : Kasetsart University Chalermphrakiat Sakon Nakhon Province Campus.
- Experience** : Internal audit Real estate business, construction, industrial plants and services.
- Training** : 1. IT Audit for Non IT Auditor course of the Federation of Accounting Professions.
2. Integrated Audit Course Class 2/2018 of the Federation of Accounting Professions
3. ITGC Course (Information Technology General Control : In House)

- Attachment 4 -

Assets for business undertaking and details of asset appraisal.

- In 2021, the Company has no asset appraisal policy and no asset appraisal during the accounting period.

- Attachment 5 -

Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company

Applied DB Public Company Limited operates its business responsibly, transparently, accountably, fairly, ethically and with due regard to all of its stakeholders by adhering to the principles of good corporate governance. The Company recognizes that its adherence to the principles of good corporate governance will contribute to the operational and management efficiency of the Company and a company under GC. The Company also bolsters its credibility and fosters sustainable growth, not only for the Company itself but also for the society and the nation as a whole.

The Board of Directors has integrated the Corporate Governance Policy into the Company's Business Operations Policy and has made the Business Code of Conduct Handbook. This handbook has been distributed throughout the Company in order for directors, executives and employees to adhere to code of conduct and all policies when performing their duties. The Company has reviewed and revised the handbook so as to keep them up-to-date, and to keep them abreast of any changes. This hand book must also be in line with business strategies of the company. This handbook has been comprehensively communicated to all Directors, Executives and Employees, who have acknowledged and understood it entirely, and are expected to stringently implement the handbook as a guideline for executing their duties. They are also required to inform individuals involved in GC Group's businesses, namely trading partners, customers and joint-operators, both local and overseas, of our ethical business strategies in order for all concerned parties to understand and comply with these important practices.

In this regard, the full details of the Company's policies and practices from the Corporate Governance and Business Code of Conduct Handbook can be found on the ADB website www.adb.co.th under the heading of "Corporate Governance"

- Attachment 6 -

Report of the Audit Committee

The Audit Committee of Applied DB Public Company Limited consists of three individual directors as follows.

- | | |
|--|---------------------------------|
| 1. Dr. Mongkon Laoworapong | Chairman of the Audit Committee |
| 2. Asst.Prof.Dr. Monpilai H.Narasingha | Audit Committee |
| 3. Mrs. Kanjana Piyasatit | Audit Committee |

Mrs. Wichitra Thubburee Vice president of Internal Control Office as secretary to this committee.

The committee executed its Board-assigned duties in line with its own charter, which agrees with SEC's best practices. It reviewed and pushed for ADB's compliance with corporate governance, sufficient risk management and internal control systems, efficient and effective internal audit, and a systematic structure and business processes. It ensured ADB's emphasis on being a transparent organization while upgrading the quality of ADB internal audit to supplement long-term value with due regard for satisfying stakeholder comprehensive needs. Below are highlights of duties in 2021:

1. Review of quarterly and annual financial statements and consolidated financial statements before proposing them to the Board of Directors for an approval. The Audit Committee recognizes the importance of compliance with the Thai Financial Reporting Standards. Sufficient disclosure of notes to financial statements. The Committee reviewed material issues and special items and obtained sufficient clarification from the external auditors, the Management, and the Vice President of Internal control department, confirming that the financial statements and the disclosure in notes to the financial statements were in compliance with the relevant laws and financial reporting standards. The Audit Committee therefore approved the Financial Statements, which were reviewed and audited by the external auditors without reservation. In addition the Audit Committee discussed the Key Audit Matters (KAM) ,as well as to hear whether there was any suspicious information indicating potential fraud following Section 89/25 of the Securities and Exchange Act B.E. 2535 as amended by the Securities and Exchange Act (No.4) B.E. 2551 with the auditor. In 2018, the external auditors did not discover any material misstatements or indications of suspicious incidents. Thus, the preparation of the financial statements and consolidated financial statements was conducted with reliability and transparency, and the external auditors performed their duties independently and with verifiability.
2. Review the adequacy and appropriateness of the internal control process. The Audit Committee agreed that the Company's internal control system is appropriate and adequate for business operation Internal auditors are neutral, and the Internal Control Unit is independent. The roles as consultants were increased to improve efficiency, effectiveness of internal control risk management, governance as well as supporting the duties of the Audit Committee. The Company plans to review the internal control system and review quarterly performance reports.
3. The Company's risks are reviewed. Due to the spread of COVID-19 pandemic, there are several risks that may affect the Company's important operations, communication, and work monitoring systems. Monitoring and meeting online are performed as alleviation. The Company's risk control is at an

acceptable level and has reliable performance in accordance with internal control principles, accounting standards and relevant international standards.

4. Review the corporate governance, Business Ethics Policy, Information Dissemination Policy, Anti-Corruption Policy, Information Protection Policy and Complaint Investigation which comply with operations the requirements of the Stock Exchange of Thailand and Securities and Exchange Commission.
5. The Charter of the Audit Committee is reviewed. The Audit Committee has reviewed the Company's Audit Committee Charter and considered the improvements and amendments about qualifications, roles, duties, and authority of the Audit Committee. It is stated that the current Charter and the performance of the Audit Committee have fully adapted and implemented the criteria of CG 2560 and the guidelines of good corporate governance principles and requirements of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
6. Provide a self-assessment of the entire Audit Committee and demonstrate that the Audit Committee has performed its duties assigned by the Board of Directors and comply with good working practices.
7. Consider connected transactions or transactions that may have conflicts of interest of in order to consider according to the law and the regulations prescribed by the Capital Market Supervisory Board and other relevant agencies which ensures that the transactions are reasonable, transparent and sufficiently disclosed and contribute to the most benefits to the company with reasonable conditions and prices as performed with other outsiders.
8. The Audit Committee has supervised business operations in accordance with the Securities and Exchange Act, the requirements of the Stock Exchange or relevant law. For the year 2022, the Audit Committee has considered and proposed to the Board of Directors to appoint Ms.Sawitree Ongksirimemongkol, a Certified Public Accountant No.10449 and/or and/or Mr.Yutthapong Soontarinka, a Certified Public Accountant No. 10604 and/or Mr. Sumeth Jaengsamsee, a Certified Public Accountant No. 9362 of KPMG Phoomchai Audit Ltd. as the Company's auditors. The appointment of auditors and audit remunerations are subject to an approval at the 2022 Annual General Meeting of Shareholders

In summary, the Audit Committee performed its charter duties and responsibilities with competence, care, prudence, and adequate freedom while providing creative views and recommendations for the equitable benefit of all stakeholders. Its opinion is that ADB's financial statements were accurate, credible, and in line with generally accepted accounting standards, in addition, ADB commanded compliance with applicable laws and business obligations, together with good governance, adequate risk management and a suitable, effective internal audit system.



Dr. Mongkon Laoworapong
Chairmen of The Audit Committee





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