

Form 56-1 / Annual Report 2021

(Form 56-1 One Report)

THAIMUI
WE UNDERSTAND

THAI MUI CORPORATION PUBLIC COMPANY LIMITED



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Message from

**Chairman of the Board and
Chief Executive Officer**



Mr. Pitipat Thitasirinant
The Chairman of the board



Mr. Tchakorn Leelaprachakul
The chief Executive offer

Message From

and

Message from Chairman and Chief Executive Officer

2021 will be a challenging year for the company's business operations. Board of Directors and executives are aware of their duties and work responsibly. for the company to have business potential There is good corporate governance for the benefit of shareholders and society. There is clearly defined vision, mission and policies that are appropriate. in line with economic, social, and environmental conditions including adjusting strategies to suit the situation improving the efficiency of administration and other measures to manage risks to be at a controllable level. to create maximum profit for the company by focusing on profitable sales Expand and develop services to achieve maximum satisfaction for customers, partners, business partners of the company. Determined to conduct business to prosper, stable, transparent with good governance for sustainable development and to build confidence for all stakeholders.

From the epidemic situation of the Coronavirus Disease 2019 (COVID-19) in the past 2021, the company has asked employees to create a plan to alternate working at the office and at home (Work from Home) to reduce congestion in the workplace. And it is an opportunity to reduce the offline work process and develop more online work for the safety of employees and employees' families with the current situation.

For the coming year 2022, the company intends to operate the business according to the company's mission. by focusing on finding quality products to build confidence for customers, provide knowledge, advice, friendly service. to meet the needs of customers to achieve maximum satisfaction Conduct business with customers, business partners, business partners with honesty, transparency, and responsibility.

Finally, on behalf of the Board of Directors, executives, and employees, I would like to thank shareholders, customers, business partners, financial institutions. Government agencies, the private sector and all business partners which has given confidence and support to the Company's operation as well. The company will operate in accordance with the vision, mission, and framework for sustainable development. Including thanks to all employees and management team for their cooperation in working to the best of our ability for the Company. Growing together with stability and sustainability.

Part 1

Business Operations and Operating Results



Company structure and operations

1 Structure and operations of the Group

1.1 Policy and Business Overview

Thai Mui Corporation Public Company Limited ("Company" or "Thai Mui") formerly known as "Thai Mui Trading Corporation Limited" was registered as a limited company on February 17, 1998 with a registered capital of 1,000,000 baht. The core business of the Company is supplying and distributing high-quality wire rope products and lifting equipment. The beginning of the establishment of the business was initiated by the family of the company executives. Earlier, previous generations operated as a distributor for wire rope products, steel, and other general products in Xiang Kong, Yaowarat, Samphanthawong district, the old commercial area of Bangkok. Then, the management of the Company saw the opportunity for the business to grow as a distributor of wire rope products and various lifting equipment. Consequently, they registered to establish the company by focusing on customers who are aware of the importance of quality and after-sales services, namely customers in the oil and gas exploration and production business, port industry, and the construction industry because they are seen as a group of customers with good growth potential in the future. The Company then provides and sells high quality wire rope products and lifting equipment from many world-class manufacturers to cater for their needs and to create maximum satisfaction for customers in such industries.

The Company is one of the distributors of wire ropes and lifting equipment produced by leading manufacturers from various countries such as Bridon, Carsar, Usha, Kiswire, Crosby, Greenpin. The Company also provides the service of wire-rope extruding customization, ready for immediate use. As for the products supplied from such leading manufacturers, there are certificates from the manufacturer, known as Mill Certificate, which is the certification specifying the origin and properties of the wire rope, casing, wire diameter, and tensile strength. In addition, the Company is able to test the tensile strength of the wire rope and is able to issue a certificate in the name of the Company, known as Load Test Certificate. There are also independent experts participating in the test to issue certificates on behalf of independent experts should there be needs from the customers. In order for the customers to be more confident in the products delivered, the Company is willing to change or replace any damaged wire rope, occurring in spite of the correct usage. In addition to paying attention to the quality of products delivered, the Company also gives priority to safety from the correct usage of the products and will provide advice and trainings on how to use after every installation.

At present, the Company has its headquarters located on Charoenkrung Road, Talad Noi, Samphanthawong, Bangkok, and has a front office on Songwad Road, with the main reserve depots at Samrong and Pinthong to support the needs of customers in the Bangkok and metropolitan areas. In addition, there is a sales office and storehouse at Sattahip, which was opened during the year 2002 to support the needs of customers in the oil and natural gas exploration and production industry, shipping companies in Chonburi and nearby provinces in the eastern part of Thailand. Moreover, the Company added a sales engineer team to offer various services to cover various needs of customers in such industries, such as providing advice, maintenance and related services. This in turn will increase the opportunity to gain new base of customers in the eastern region.

Business overview

Thai Mui Corporation Public Company Limited engages in the core business as a distributor of high-quality wire rope products and lifting equipment. The core businesses of the Company can be divided into product and service sales as the following.

1) Products Sales

1.1) Distribution of products for carrying and lifting

The Company procures and sells wire ropes to be used for carrying to customers in the industrial factories, oil and natural gas exploration and production, construction industry, port, transport industry, and other industries. The products can be categorized as follows:

Wire Rope

Wire ropes can be divided into 2 main types: Single Layer or Single Strand Wire Rope and strand Rotation Resistant or Multi Strand Wire Rope. The properties of the wire ropes will vary according to the purpose of use, size, structure, axis type, wire rope grade, wire surface characteristics, wire arrangement, and spiral direction.

The Company distributes wire ropes both by cutting the length needed and by providing the ropes with the ring-ends or assembling with gripping devices according to the size and requirements of the customers for immediate usage. The Company also offers testing on wire rope and lifting equipment to know if the Sling's tensile strength when assembled and used is in line with the standards. Besides, if any customer wants to have an external expert to certify the tensile strength of the product, the service can also be provided.

Webbing Sling

Webbing sling made from polyester is a type of synthetic fiber with high tensile strength and has better properties than other types of synthetic fibers. Webbing slings can be divided into two types: Flat Webbing Sling and Round Sling. Webbing sling is more flexible and can bend easily into materials that it lifts and does not damage the surface of the lifted material. It is light, does not get rusty like wire or chain, and is suitable for use with easily-scratched-surface products.

Chain

Chain is made of steel or stainless steel that has a loop shape, brought together in a long line, and can be used for both lifting and strapping materials that need to be lifted. However, if any damage occurs at any link of the chains, it may cause the lifted material to drop immediately.

1.2) Distribution of lifting equipment

The Company distributes the lifting equipment used in conjunction with cranes or used in various industrial applications, suitable for all types of applications such as Wire Rope Clamps/Clips, Shackles, Chain Block, Level Block or Level Hoist, and Electric Chain Hoist.

1.3) Distribution of other products

In addition to the wide variety of carrying products and lifting equipment, the Company also sells other types of products, such as HDPE pipes (High-Density Polyethylene), the highly flexible pipes that can be bent according to the desired shape. They are suitable for use in large industries including electric motors, hooks, and light bulbs. By offering these products, the Company can meet the customers' various needs at once.

Also the company Has also invested in water quality improvement business for shrimp farms with ultrafiltration (Ultrafiltration) and disinfection by ozone production system (Ozone). For a large customer to expand the company's business.

1.4) Service

1.4.1) Tensile Strength Testing Service and Wire Rope Replacement Service

The Company has Tensile Strength Testing Service according to the needs of customers using testing machines and skilled engineers. Then, the Company can issue quality certificates to customers. In addition, the Company offers the replacement service of wire rope if the customer's wire rope is damaged or expires.

1.4.2) Visual inspection service for crane and wire rope

The Company has one subsidiary company, namely, Propoint Global Consultants Company Limited ("ProPoint"), providing inspection of wire rope, crane and other lifting equipment. ProPoint's inspection service, by a team of knowledgeable, competent engineers and experts, checks the steadiness of crane's conditions to see if it is perfect, ready for use and if it is used with the correct manners. ProPoint provides services to both Thai Mui customers and external customers.

1.4.3) Non-Destructive Testing or NDT

ProPoint also offers Non-Destructive Testing or NDT which can be divided into 3 types, namely,

- 1) Electromagnetic testing
- 2) Liquid penetration inspection
- 3) Radio frequency non-destructive testing

The wire rope inspection normally uses the Electromagnetic Testing Machine. This tool-based inspection will not damage the sample, and will show the internal corrosion, any damaging conditions or a slight fracture that naked eye cannot see.

1.4.4) Consultation services for repairs and trainings

In addition to testing of the usability of cranes and wire ropes, ProPoint also provides trainings and repairs of wire ropes by a team of skilled and knowledgeable engineers. In addition, ProPoint also provides training services for crane operators to increase work safety standards for customers.

Throughout the course of the business from the past to the present generation, the Company has adhered to the selection of high-quality products from leading international manufacturers and to the delivery of sincere products and services, alternatives, or new innovations for customers to create maximum satisfaction. With the employment of ISO 9001: 2015 to manage the product and service quality, the Company has a strong commitment to doing business on an honesty footing. Hence, the Company is continuously recognized and trusted by its customers as well as receiving the trust of other business partners.

1.1.1 Vision Mission and Core Value

Vision

“To be the top business leader in providing sling knowledge services and distributing wire ropes and lifting equipment, both in Thailand and neighboring countries.”

Mission

- Aspire to source only high-quality products from the world-renowned manufacturers in order to create confidence for our customers;

- Focus on providing full knowledge about our offered products and their safety usage to our customers through proper systematic trainings from certified experts, accredited by the Ministry of Labor;
- Aim to provide amicable service with useful consultancy and advice to bring about confidence and maximum efficiency for our customers;
- Strive to provide full and complete service, starting from sourcing the right products, offering installation and inspection services, and keeping the safety stock for our contracted customers to meet their demands and needs in a very timely manner;
- Give emphasis to maintaining the company's competitive advantage by focusing on the predominant strengths

Core Value

| | |
|-----------------------|---|
| Honesty | With our customers, partners and all, we always conduct business with integrity. |
| Accountability | We are, both legally and ethically, accountable for our customers, business partners, employees and social stakeholders and we strive to do good for other people, our community, the society and the environment as a whole. |
| Fairness | We treat our customers, partners, and stakeholders with fairness and impartiality. |
| Transparency | Transparency is a dogma for our internal and external control systems. |

1.1.2 Important changes and developments

| Month/Year | Important developments |
|-----------------|---|
| 1998 | |
| February | <ul style="list-style-type: none"> Registered as Thai Mui Trading Corporation Co., Ltd. by Mr. Pracha Leelaprachakul and his family member, Mr. Veerapol Leelaprachakul, a son, with the initial registered capital of 1,000,000 baht, divided into 10,000 ordinary shares with a par value of 100.00 baht per share. The main business is to be the supplier of wire rope products and quality lifting equipment. The company started off selling and being appointed as a distributor for the leading wire rope manufacturers and brands i.e. Bridon and Usha. |
| 2000 | |
| July | <ul style="list-style-type: none"> Increase the registered capital of 6,300,000 baht from the original registered capital of 1,000,000 baht to 7,300,000 baht for use as working capital in business operations. |
| December | <ul style="list-style-type: none"> The company increased the registered capital of 7,500,000 baht from the original registered capital of 7,300,000 baht to 14,800,000 baht for use as working capital in business operations. |
| 2001 | |
| | <ul style="list-style-type: none"> The Company was appointed as a distributor and started selling products under the Kiswire brand. |
| March | <ul style="list-style-type: none"> The Company invested in a 1,000-ton wire rope crimping machine for the wire rope to be ready for use before delivering to customers. |
| July | <ul style="list-style-type: none"> The company increased the registered capital of 8,700,000 baht from the original registered capital of 14,800,000 baht to 23,500,000 baht for use as working capital in business operations. |
| 2002 | |

| Month/Year | Important developments |
|------------|---|
| March | <ul style="list-style-type: none"> The Company expanded and opened a branch in Sattahip district, Chonburi province to support the expansion, create confidence for customers, and provide timely services to customers in the eastern region. The Company also invested in the 350-ton casing presses at Sattahip branch. |
| August | <ul style="list-style-type: none"> The company invested in a 150-ton tensile testing machine to guarantee the quality of the use of wire ropes to customers. The Company can also issue certificates for such tensile strength. |
| October | <ul style="list-style-type: none"> The company increased the registered capital of 19,400,000 baht from the original registered capital of 23,500,000 baht to 42,900,000 baht for use as working capital in business operations. |
| 2005 | |
| April | <ul style="list-style-type: none"> The company has been certified with ISO 9001: 2008, which certifies the quality in the quality-management system of products and services. |
| 2012 | |
| January | <ul style="list-style-type: none"> The Company changed the management system into SAP to help increase the efficiency of the internal management of the company. |
| July | <ul style="list-style-type: none"> Invested in a 600-ton wire rope crimping machine in order to provide the ready-to-use wire ropes to customers. |
| 2014 | |
| January | <ul style="list-style-type: none"> Invested in a 50-ton tensile testing machine to certify tensile testing for wire rope sling chains for customers who use small lifting products. |
| June | <ul style="list-style-type: none"> The Company has been entrusted and appointed as the only official distributor to Chevron Thailand Exploration and Production Co., Ltd. in Thailand in selling products under the Bridon brand, which is a leading global wire rope manufacturer from England. |
| September | <ul style="list-style-type: none"> Invested in a 2,000-ton casing machine, which is a casing machine that has the technology to hold the wire rope while compressing the casing to support the use of customers in large industrial groups. |
| 2015 | |
| June | <ul style="list-style-type: none"> Started using Bar code/QR code to manage the inventories of the Company in order to increase the efficiency of management and inventory supervision |
| August | <ul style="list-style-type: none"> Increased the registered capital of 100,000,000 baht from the original registered capital of 42,900,000 baht to 142,900,000 baht to be used as working capital for business operations, but the Company did not fully pay such amount. |
| September | <ul style="list-style-type: none"> The Company restructured the group of companies by purchasing shares in ProPoint Global Consultants Co., Ltd. at a rate of 99.99 percent from Mrs. La-or Leelaprachakul who is a person who may have a conflict of interest, causing ProPoint to become a subsidiary of the Company |
| 2016 | |

| Month/Year | Important developments |
|------------|---|
| March | <ul style="list-style-type: none"> Decrease the registered capital from the original registered capital of 142,900,000 baht to 121,465,000 baht by reducing the par value from the original 100.00 per share to 85.00 baht per share to reduce the registered capital that had not been paid from the capital increase in August 2015 |
| 2017 | |
| June | <ul style="list-style-type: none"> The company transformed into a public company and changed the name of the new company to Thai Mui Corporation Public Company Limited Changed the par value from 85.00 baht per share to 0.50 baht Increased the registered capital of 48,535,000 baht from the original registered capital of 121,465,000 baht to 170,000,000 baht by issuing 97,070,000 new ordinary shares at a par value of 0.50 baht per share for offering to the public, entering the Market for Alternative Investment (MAI) |
| 2018 | |
| April | <ul style="list-style-type: none"> The company has been certified with ISO 9001: 2015 which certifies the quality in the quality-management system of products and services. |
| June | <ul style="list-style-type: none"> Invested in a 400-ton tensile testing machine to certify tensile testing for wire rope, sling canvas, and chains for customers who use large lifting products. |
| 2019 | |
| April | <ul style="list-style-type: none"> Invest in water quality improvement business for shrimp farms with ultrafiltration. (Ultrafiltration) and disinfection by ozone production system (Ozone). Through the purchase of 175,000 ordinary shares of Trend Asia Corporation Limited, equivalent to 70 percent of the total shares. |
| 2020 | |
| June | <ul style="list-style-type: none"> The company has been trusted and has been appointed as the sole official distributor in Thailand. To distribute products under the brand Brunton Shaw, the world's leading wire rope manufacturer. From England. |

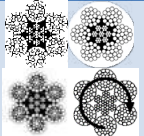
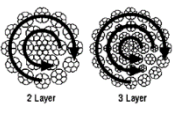
1.2 Nature of Business

Thai Mui Corporation Public Company Limited ("The Company" or "Thai Mui") operates the business distributing high-quality wire rope products and lifting equipment as well as providing comprehensive after-sales services. The Company has been appointed as the official distributor by world-class manufacturers such as Bridon, Usha, Kiswire and Crosby and hence the Company can provide Mill Certificates from the manufacturer specifying the materials, traction safety value, diameter, and other details used in production of the given product. In addition to the wire rope and lifting equipment distribution business, the Company also offers wire rope replacement services. With that, the Company is able to provide testing services by issuing the Load Test Certificate to the customer. Moreover, the Company also offers a crane and wire rope inspection service. The inspection service includes providing various types of services, such as providing advice on usage, installation, training and repair. These services are under the operations of the Company's subsidiary, ProPoint Global Consultants Company Limited ("ProPoint" or "A subsidiary company"). Having been able to fully meet the needs of customers and create maximum satisfaction, the Company has been trusted by customers in terms of quality of products and services from the start.

1) Details of Products and Services

1.1) Wire Rope Products

Wire rope refers to many steel wires stranded or wrapped around a single or multi-layer core. The number of strands of each strand of wire rope is different, depending on the purpose of use, strength, flexibility, bendability, and resistance to compression or deformation. The use of the wire rope is mainly related to lifting and loading. Therefore, there are many types of wire ropes with different weight-bearing properties. The features and properties are depending on the size and amount of steel wires used in producing, the characteristics of the core be it steel or fiber, design for use in various equipment. For example, special usage for lifting equipment like hoists, cranes, and elevators or for fastening applications like light towers, ship masts, and bridges require different kinds of wire ropes. The characteristics of wire ropes can be divided into 2 main types: single strand wire rope and multi strand wire rope.

| Category | Example picture | Explanation |
|--|---|---|
| Single Layer or Single Strand Wire Rope |  | is a wire rope that is suitable for general use, such as lifting work, stretching and binding tasks. |
| Rotation Resistant or Multi Strand Wire Rope |  | is a wire rope with multiple strands and anti-rotation force with a wire bundle of at least 2 layers, spirally twisted around the core. The direction of the outer wire bundle is opposite to the next wire bundle in order to prevent the rotation of the wire rope. The two-spiral wire is usually a Non Rotation and a wire rope with a 3-layer spiral is often called a Low Rotation. |

Example of Wire Rope Usage for an Overhead Crane


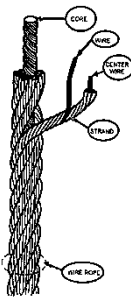

The overhead crane is a machine used for carrying items, moving heavy materials in many directions. There are 2 types, a single beam and a double beam, depending on the size and width of the crane.

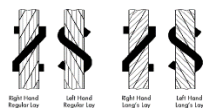
Example of Wire Rope Usage for Tower Crane

Tower crane is a machine used for vertical lifting and horizontal moving. Wire rope is used as an aid to carry and move large materials and products and is especially used in the construction industry.



Wire rope suitability is considered from the following elements and features.

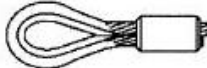
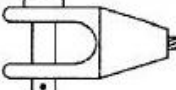
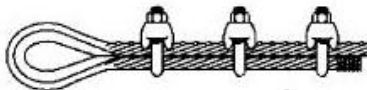
| Properties | Details |
|------------------------|--|
| 1. Equipment used | The strength and durability of wire rope used depends on the applications. Therefore, customers need to specify the requirements whether to be used with cranes or general lifting work. If it is used with cranes, more specific requirements are required such as types of crane, used on car or ship, in order to select the most suitable product. |
| 2. Wire rope size | <p>The size of the wire rope is measured from the diameter, by measuring from the widest part of the wire rope. Customers should specify the desired size, for example the size of 16 mm referring to the wire rope with a diameter of 16 mm.</p>  |
| 3. Wire rope structure |   <p>6x19 structure 6x24 structure</p> <p>The structure of the wire rope consists of 3 parts:</p> <ol style="list-style-type: none"> 1. Wire: the smallest component of the sling 2. Strand: the integration of the wire with a twist 3. Core: there are two types, fiber and steel type. <p>Wire rope is created by the combination of the sling core and many wire strands. The number of wires in each strand of wire rope is different depending on the purpose of use. The wire rope structure is specified by the number of strands and the number of wires in each strand. For example, the number 6x19 means a wire rope with 6 strands and each strand consists of 19 steel wires, as shown in the picture. The most popular structures for general use include 6x19, 6x24, and 6x36.</p> <p>However, the structure of the 3 types of wire ropes is different depending on flexibility and usage. Normally, the three structures have the same wire diameter. However, the more number of wires in a strand, the smaller and more flexible the ropes will be.</p> |
| 4. Wire rope core | The wire rope core serves to keep the shape of the wire rope round, supporting outer strands, and keep the stranded wire in the right position during use. The most commonly used cores are steel and fiber. For the steel core, there are 2 types: wire strand core (WSC) and independent wire rope core (IWRC). The WSC type can absorb 15% of their weight and the IWRC 50%. Moreover, the IWRC can be stretched, bent and is strongly resistant to compression or deformation. For fiber core, it is usually made of plastic or plant fiber (hemp) that is highly flexible, making them less strong than wire ropes with steel cores. |
| 5. Wire rope grade | <p>The tensile grade of the wire rope (Rope Grade: R_p) is provided to determine the tensile strength of the wire rope and the weight with which the wire rope can be safely used. The popular models are:</p> <ul style="list-style-type: none"> - 1770 Grade, with tensile strength 1770 N / mm² or 180 kg / mm² - 1960 grade, with tensile strength at 1960 N / mm² or 200 kg / mm² - 2160 grade, with tensile strength of 2160 N / mm² or 220 kg / mm² |

| Properties | Details |
|---------------------------|--|
| 6. Wire rope surface | <p>The wire surfaces of the wire rope can also be divided into 2 types:</p> <ul style="list-style-type: none"> - Ungalvanized or Bright Finish - Galvanized or Zinc Coated Finish <p>The zinc coating wire rope will increase the corrosion resistance properties in the working condition.</p> |
| 7. Lay type | <p>The directions of the wire lay can be divided into 2 types as follows.</p> <ol style="list-style-type: none"> 1. Ordinary or Regular Lay Rope: a wire rope having the wires in the strands twisted in directions opposite to the strands in the rope, making it most popular for general use. 2. Lang's Lay Rope: In a Lang's lay rope, the wires in the strands and the strands themselves are laid in the same direction. |
| 8. Lay Direction |  <p>There are 2 lay directions:</p> <ul style="list-style-type: none"> - Left-hand lay - Right-hand lay <p>A proper choice of the lay type is important in relation to the requirements of crane, specifying the left-hand lay or right-hand lay. If misused, coils may loosen from the core of the wire rope.</p> |
| 9. Minimum Breaking Force | <p>The tensile strength of the wire rope varies with the size and grade of the wire rope. The larger the diameter or the higher grade of wire rope, the more minimum breaking force and the more weightlifting wire rope can bear.</p> |
| 10. Termination | <p>There are 5 types of wire rope terminations:</p> <ul style="list-style-type: none"> - Mechanically Spliced - Hand Spliced - Zinc Spelter Socket - Wire Rope Clips or Bulldog Grips - Wedge Socket <p>The most popular are mechanically spliced and zinc spelter socket because of their high load-bearing efficiency.</p> |
| 11. The desired length | <p>The customer specifies the desired length in the purchase order and the Company will cut the wire rope according to the desired length specified by the customers. If the head is terminated, the Company will spare the length at the end of the wire rope to make sure that the customer would obtain the desired length after the rope is terminated.</p> |

The details of the Company's distribution of the wire rope to length and wire rope with eyes are the following.

Sold according to length: The Company sells the wire rope according to the length required by the customers. Before cutting the wire ropes, each end will be coiled separated at the length of a diameter, then it will be cut at the middle of the loop. Afterwards, all frays are cleaned up.

Sold according to the length with the loop-end: The Company sells the wire rope according to the specified length along with the loop end fitting or assembled into a lifting device for immediate use. That being used with a lifting device helps maintain the shape of the loop, not twisting or bending during the use. This helps reduce friction or wear of the wire rope that occurs when used with machinery or equipment. The details are as the following.

| Type | Assembly Method |
|----------------------------------|--|
| Mechanical Splice |  <p>Mechanical Splice connects 2 wire ropes together using a hydraulic compressor to crimp and change the shape of the casing to permanently connect. There are many types of compression casing, such as a mechanical splice, Flemish Eye, and swage socket. This type of termination is suitable for wire rope used with lifting sling.</p> |
| Zinc Spelter Socket |  <p>Spelter Socket is a poured socket attached by means of zinc or resins, loosening the end of the wire rope in each strand similar to shower head. Then, the ends are thoroughly washed before welding the resin to the head with the socket. This type of termination is suitable for use with sling crane.</p> |
| Wire Rope Clips or Bulldog Grips |  <p>In general, wire rope clips usage depends on the specified standards and sling size. Wire rope grips are used for forming an eye in the end of steel wire rope, with a U Bolt, a thimble, and 2 bolts to support the rope structure. The two wire ropes are placed in the U-bolt. When installing the bulldog grips, the grip handle will be on the wire rope that holds the weight or the active side. This type of termination is suitable for wire ropes that will be used for permanent fixed stays.</p> |



Sample image of a 2,000-ton crimping machine






For wire rope products, the Company is a distributing agent for the following major brands.

| Manufacturer | Brand | Product Distributed |
|--------------------------------|---|--|
| Bridon International Ltd |  | Bridon International Ltd is a renowned manufacturer from England. The Company is appointed by Bridon Singapore (Pte) Ltd as a distributor of their wire rope products and lubricants. |
| Usha Siam Steel Industries PCL |  | Usha Siam Steel Industries PCL is a wire rope manufacturing plant in Thailand, with a parent company -- a leading manufacturer from India. The Company distributes the brand's wire rope products. |
| Kiswire Sdn Bhd. |  | Kiswire Sdn Bhd. is a leading manufacturer from South Korea. The Company has been appointed as a distributor of their wire rope products. |

| Manufacturer | Brand | Product Distributed |
|-------------------------------|---|---|
| Casar Drahtseilwerk Saar GmbH |  | Casar Drahtseilwerk Saar GmbH is a leading German manufacturer. The Company is appointed as a distributor of their wire rope products. |
| Teufelberger Seil Ges.M.B.H. |  | Teufelberger Seil Ges.M.B.H. is a leading manufacturer from Austria. The Company has been appointed as a distributor for the products under such brand. |
| Brunton Shaw UK |  | Brunton Shaw UK is a leading manufacturing company. From England, where the company was appointed as a distributor for products under the aforementioned brands |

1.2) Webbing Sling

Synthetic fiber sling or soft sling is made from polyester, a type of synthetic fiber. Webbing sling can be divided into two major categories. One is Flat Webbing Sling. The other is a Round Sling. The use of webbing sling is to carry, generally used in many industries that require lifting. For example, such use includes lifting, carrying, moving materials in industrial plants and construction industry. Webbing sling can also be used with the environment that requires durability of weak acid chemicals, oil, grease and sea water. In addition, the webbing sling is not electrically conductive and can withstand up to 100-degrees-Celsius heat. It is also suitable for lifting that prevents scratching. Webbing sling can be classified according to the color, with the standard value of size and weight as follows.

| color | Size (millimeter) | Acceptable weight for each usage (kg) | | | | |
|--------|----------------------|---|---|--|---|---|
| | | Straight Lift (100%) | β 0°-7° (200%) | β 7°-45° (140%) | Choked Lift (80%) | β 45°-60° (100%) |
| | |  |  |  |  |  |
| Purple | 25 | 1,000 | 2,000 | 1,400 | 800 | 1,000 |
| Green | 50 | 2,000 | 4,000 | 2,800 | 1,600 | 2,000 |
| Yellow | 75 | 3,000 | 6,000 | 4,200 | 2,400 | 3,000 |
| Grey | 100 | 4,000 | 8,000 | 5,600 | 3,200 | 4,000 |
| Red | 125 | 5,000 | 10,000 | 7,000 | 4,000 | 5,000 |
| Brown | 150 | 6,000 | 12,000 | 8,400 | 4,800 | 6,000 |
| Blue | 200 | 8,000 | 16,000 | 11,200 | 6,400 | 8,000 |
| Orange | 250 | 10,000 | 20,000 | 14,000 | 8,000 | 10,000 |

Notes:

- 1) The color of the webbing sling will indicate the width of the sling. The wider the width, the more weight it can bear.
- 2) β is the distance of the angle between the webbing sling and its vertical.
- 3) Percentage number in brackets is the ability of webbing sling to receive force. The ability to receive force may be depending on the usage pattern. For example, the same color webbing sling with Straight Lift usage pattern can receive strength at 100% while Choked Lift can hold 80% of the strength, despite the same color.



Webbing sling samples



Sample images of using a webbing sling

For webbing sling products, the Company is a distributor under the following major brands.

| Manufacturer | Brand | Product Distributed |
|---------------------|---|--|
| Juli Sling CO.,Ltd. |  | Juli Sling CO., Ltd. is a manufacturer from the People's Republic of China. The Company distributes their webbing sling. |

In addition, the Company also sells webbing sling under the Company's own brand as follows.

| Manufacturer | Brand | Product Distributed |
|---|---|---|
| Thai Mui Corporation Public Company Limited |  | S-NEX is the Company's house brand for the webbing sling made to orders of the customers. |

1.3) Steel Chain sling

Steel Chain sling is one of the lifting devices, created by the use of metal loops looped together into a long line. The metal used in such forming can be done from a variety of materials such as steel or stainless steel. Chains can be used in two ways: 1. Chain usage in overhead lifting and carrying tasks and 2. Chain work in the bundle tying for lifting or moving. The options for chains are 1-leg sling, 2-leg sling, 3-leg sling, and 4-leg sling.



Sample image of chain showing loops looped together to form a long chain.













Sample image of 4-leg chain showing the assembly into a set with Master Link (top end) and hook (bottom end), ready to use.



For the chain products, the Company is a distributing agent under the following major brands.

| Manufacturer | Brand | Product Distributed |
|------------------|---|--|
| The Crosby Group |  | The Crosby Group is a leading manufacturer from the United States of America. The Company has been appointed as a distributor of their chain products. |
| Kondotec Inc. |  | Kondotec Inc. is a leading manufacturer from Japan. The Company distributes chain products under such brand. |

1.4) Lifting Equipment

Lifting device is a device used to hold the wire rope end for binding the material that needs to be lifted or moved. There are many types of gripping devices with the details below.

| Type | Usage |
|-------------------------------|---|
| Thimble | Used for inserting the end of the wire rope to prevent the wire rope from holding the device directly.  |
| (Wire Rope Clamps/Clips) | Used for fastening the ends of the loop to the wire rope. There are two types of grips: a gripper with a single saddle and a grip with two saddles, called Double Saddle.  Single Saddle  Double Saddle |
| (Shackles) | Shackles are used to assemble the work piece with a wire rope in a moving job. They can be divided into 2 following types according to the usage. |
| | Dee Shackle is popular for chain work or in limited areas.  |
| | Bow Shackle can be used with a variety of wire ropes, webbing slings, and chain slings.  |
| | Screw Pin Shackle is a bolt with a tail. It can be locked and released without using tools.  |
| | Bolt Pin Shackle is a bolt-lock with hex nut which locks the latch to the end of the bolt to hold the nut from loosening.  |
| | Round Pin Shackle is a round head shackle locked with Cotter pin.  |
| (Chain Block) | is a hand hoist without electronic parts. The installation of the chain hoist is easier than installing other types of hoists. Therefore, it is suitable for occasional lifting tasks or in jobs where there is no electricity available.  |
| (Level Block or Level Hoist) | looks like a chain block, but is different in that instead of manually operated, it is equipped with a handle.  |

| Type | Usage |
|------------------------|---|
| (Electric Chain Hoist) | <p>Electric hoists can be divided into 2 types: electric chain hoist and electric wire rope hoist. The characteristics can be divided into 3 features as follows:</p> <ul style="list-style-type: none"> - 2-directional usage: up and down with the installation of a pulley at a certain point in a permanent manner. For instance, it is used in an elevator. - 4-directional usage: up and down, left to right by placing the hoist on the I-beam rail so that it can be moved left and right by fixing the I-beam steel to the structure of the building. For example, lifting up and down the material vertically and then going to the left or right to store. - 6-directional usage: up-down, left-right, and forward-backward scrolling by installing the lifting hoist with the crane operating set.  |
| (Masterlink) | <p>is a loop that is used to combine wire ropes or other lifting products together especially when you want to use multiple wire ropes.</p>  |

For lifting equipment, the Company is a distributor under the following major brands. Details are as follows.

| Manufacturer | Brand | Product Distributed |
|--|---|--|
| The Crosby Group |  | The Crosby Group is a leading manufacturer from the United States of America. The Company has been appointed as a distributor for various lifting equipment products. |
| Kondotec Inc. |  | Kondotec Inc. is a leading manufacturer from Japan. The Company sells various lifting equipment products under this brand. |
| Yale Industrial Products Asia (Thailand) and Columbus McKinnon Corporation |  | Yale Industrial Products Asia (Thailand) and Columbus McKinnon Corporation are the leading manufacturers from Germany and the United States, respectively. The Company distributes products under the Yale brand, which is a brand of German manufacturers |
| OzBlok, Titan Lifting |  | Titan Lifting is a leading manufacturer from Australia, a subsidiary of Allan Marketing Group Pty Ltd. The Company has been appointed to be a distributor of pulley, handle and various lifting equipment under the brand OzBlok, Titan & Global Lifting. |
| FRAM Kjøettingfabriken AS |  | FRAM Kjøettingfabriken AS is a leading manufacturer from Norway. The Company has been appointed as a distributor of Master Link chain products, hooks and various lifting equipment. |

1.5) Other Products

The Company has been continuously looking for opportunities to distribute other products in addition to wire rope products and lifting equipment to fully respond to customer needs. Other products include, for example, HDPE pipes (High-Density Polyethylene), which are highly flexible pipes. Hence, they can be bent into the desired shapes and are suitable for use in large industries. The target customers of the Company are customers who want to use plumbing in large projects. In the third quarter of 2017, the Company has recognized significant revenue from selling HDPE pipes to customers who use them for plumbing.



HDPE pipe (left) and actual usage example (right)

In addition to selling HDPE pipes, the Company also sells other products such as electric motors, hooks and light bulbs.

In addition, the company has also invested in the business of water quality improvement with ultrafiltration system (Ultrafiltration) and disinfection with the ozone generation system (Ozone) produces filtered water for sale to a large customer. to expand the business of the company.



2) Services

Apart from being the top distributor of wire rope products and lifting equipment, the Company also provides other services, supporting the main operations of the Company. This is considered to be the business strategy of Thai Mui. These services are run by the Company's subsidiary, Propoint Global Consultants Company Limited ("ProPoint"), providing inspection services for the functionality of cranes, wire ropes and lifting equipment and providing advice on how to befittingly use the wire rope for cranes by a team of knowledgeable engineers and experts. The Company through Propoint offers repair services, training services on safety standards to both Thai Mui's customers and external customers alike.

2.1) Inspection Service on Wire Rope Tensile Strength and Replacement Services

The Company provides a testing service of wire rope and clamping device by using the Tension Test or the "Proof Load Test" to ensure that the assembled sling is safe when used, not broken at various joints. These wire rope products and lifting equipment must be checked for loading at least once a year according to the Ministry's regulations on "Determination of standards for the management and management of safety, occupational health and working environment regarding cranes and radiators". At Thai Mui, there are 3 quality testing machines located at Pinthong Warehouse available for all customers. The machines are in sizes 50, 150 and 400 tons. Usually, when the test is completed, the Company issues a Load Test Certificate to customers. The customers can send participants or observers to participate in the testing of the tensile strength, if required by the customers.



50-ton tensile testing machine



150-ton tensile testing machine



400-ton tensile testing machine

In addition, the Company also offers a replacement service in the event that the wire rope is damaged, cannot be used as per the standard or when the wire rope expires at the end of usability period.

2.2) Visual Inspection Service of the Crane and Wire Rope

ProPoint's Crane Inspection Service is operated by a team of skilled engineers with strong expertise who have professional license from the Council of Engineers. The service examines the functionality of cranes, such as poles and arms, load bearing beam, nuts and rivets, lubrication, sling chain, and lifting equipment for external corrosion, rust detection, and the working condition of the crane. The service includes the inspection on the longitudinal lift, the electrical system, drive and control, electrical control box, power supply rail, power supply line set, gear shaft condition, ball bearing condition, the safety equipment set such as shockproof device, warning light, warning sound, and warning sign. The crane inspection must be done at least once a year, according to the Ministry of Industry regulations, on “Determination of standards for the management and management of safety, occupational health and working environment regarding cranes and radiators”. However, such tests must also be in accordance with the notification of Department of Labor Protection and Welfare on the subject of “Criteria and methods for testing components and equipment of cranes”. The elements are as follows

According to the regulations of the Ministry of Labor and the Department of Labor Protection and Welfare, the operators have to check the functionality of crane and wire rope according to the time period depending on the type of use. ProPoint, therefore, saw the opportunity in this inspection business. For this service, according to the specified standards, the work can be done with the naked eye. Then, the Company issues a Certificate or Por.Chor.1 for overhead crane and Por.Chor.2 for mobile crane.

2.3) Non-Destructive Testing Service

In addition to the visual inspection, ProPoint also offers non-destructive testing (NDT) services for checking the readiness of cranes. Non-Destructive Testing is a test checking for material condition, wear condition, internal corrosion, and fatigue of the wire rope without damaging the sample material tested. NDT is more accurate than the visual inspection. However, this test usually has a higher cost. Customers usually carry out this test when looking for internal damage since the piece tested is important to the operation that is necessary to ensure safe use standards. At present, ProPoints provides the inspection service with 3 non-destructive tools below:

- 1) Magnetic Particle Inspection (MPI) is a process to check for cracks, tear marks, foreign matter, discontinuity of steel and steel materials that are deep in the material and not visible to the naked eye. The disadvantage of this method is that it can be used only with materials that can be magnetized. However, since ProPoint's examination is usually for cranes, it makes this magnetic particle inspection the most popular out of the 3 available methods.



Sample image of NDT inspection using magnetic particle method (left image)
and the equipment used (right image)

- 2) Liquid Penetrant Testing (PT) is a method of checking by applying or spraying liquids over the surface. If the test material is scratched, the applied substance will penetrate into the crevice. Afterwards, the solution will be taken out, making the marks visible to the naked eye.
- 3) Ultrasonic testing (UT) is a method using sound waves to detect cracks by using the hammer head to hit the material tested. Then, the frequency is transmitted to detect corrosion. The disadvantage of this method is that it can only detect large cracks.

In addition, ProPoint also has a wire rope inspection using Electromagnetic Testing Machine, a method for detecting cracks, rips, foreign matter, discontinuities of metal materials such as iron and steel. This method will be able to check the non-continuous surface even if it is a small spot and deep from the surface.

2.4) Installation, Repair, Consultancy and Training Services

ProPoint's services are derived from the vision to provide comprehensive services for the customers' maximum satisfaction. Therefore, a crane installation service is available to provide advice on how to select the suitable wire rope for each usage, the size, and the care of the wire rope. Repair service is available in case of damage. Plus, there is also a training service for the crane operator and the signal provider where the Company arranges training by sending a lecturer and trainer to the place or training facility arranged by the customer. The Company is able to provide such services nationwide in agreement with the needs of customers.

3) Marketing and Competition

Wire rope and lifting equipment are products used in a variety of industries. However, because most users still do not acquire enough knowledge about wire rope and lifting equipment, they tend to overlook the safety and quality of the wire rope. The Company as a practiced supplier of wire rope and lifting equipment for a lengthy period of time sees the importance of this matter. Hence, the Company emphasizes on the sole distribution of high-quality products under the brands from famous manufacturers such as Kiswire, Bridon, Usha and Crosby. These products are suitable for customers who search for high quality products, require quality certificates, good usage history, and highest safety standards from reputable manufacturers. Therefore, the Company does not necessarily need to carry out a price competition policy with other competitors who may focus on the middle and lower spending customers.

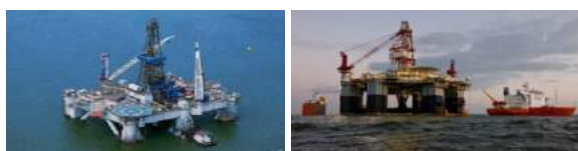
4) Target Customers

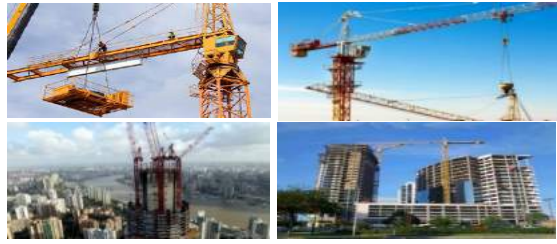
The target customers of the company are industrial groups that require lifting and moving of materials and products. The Company focuses on the distribution of high-quality products for customers with high purchasing power who need reliable products with safety standards. At present, the Company's significant customers can be classified into the following groups.

Industrial Plants



Petroleum Exploration and Production Business



ConstructionPort Service Business**5) Distribution Channels**

The Company has 2 main distribution channels.

Sales through the sales team

Through the sales team, sales and services normally takes place by the sales staff taking care of the customers who are entrepreneurs and corporations in various industries. The Company uses the division of sales area strategy. Bangkok and its vicinity area are looked after by the Bangkok Sales Team. Sattahip Sales Team takes care of the eastern customers who operate the port business and petroleum exploration and production. Our Sales staff are knowledgeable and experienced and have deep understanding of the needs of the customers' products. In addition, the sales team also regularly inquires about customer needs. Thus, this enables the Company to predict the demand for products according to the usage period and to be able to respond quickly in the event that there is a need for special products. In addition, the sales team can also provide technical advice to customers along with introducing the usage with maximum suitability and efficiency.

Sales through sales offices

This is a distribution channel that provides services to one-time customers or those who generally come to the stores or contact the sales office directly for advice and purchase of various products. The Company has a knowledgeable and experienced sales staff to provide services and advice on various types of products at both front shop sales offices in Bangkok and Sattahip.

6) Competitive Strategy

From the past business experience and the determination to continually provide only good quality products and services, the Company has, therefore, formulated the following business strategies to achieve such objectives.

Product Quality Strategy

From generation to generation, adherence to the high-quality of products and services and integrity with partners have acquired the reputation for the Company among the customers. The Company is also recognized by the world's leading wire rope manufacturers resulting in the Company being selected to be an official distributor for many manufacturers. The customers hence trust that every product purchased from the Company meets the standards and receive quality certification, with product certificates directly issued by the manufacturer confirming the production lot and / or certificates issued by Thai Mui or independent experts.

Comprehensive After-Sales Service Strategy

The Company pays attention to the team that provides after-sales service whether it's a wire rope installation team, the engineer team providing advice and checking the condition of the product, the testing team

examining and testing the tensile strength, and the sales team tracking product response. This has earned Thai Mui a place of the leading distributor of wire rope products and lifting.

Customer Retention Strategy

Obviously, one of the customer-retaining strategies is integrity. With this in mind, the Company focuses on offering a solution that provides consultation on the use of wire rope and lifting equipment, recommended installation and use, after-sales services such as tensile strength testing and inspection of conditions of the equipment. Besides, giving warranty for product replacement in the case that the cause of damage is by production helps retain the customers. Delivery of products on time is another important factor. With all the mentioned strategies, the Company is able to maintain competitiveness and create confidence and trusts for customers. In addition, the Company also organizes seminars for customers to update about the technology and innovation of wire rope production. The seminars are for the customers to access the information and to learn about products and services offered by the Company. This assists the sales team and the engineer team to get to know the customers and it is also a way for effective public relations. Coupled with the fact that the sales staff regularly visits customers to learn the needs and problems of the customers in a timely manner, the strategies can ensure the highest satisfaction of customers and consequently further develop the sales and services for the Company.

7) Domestic Economy and Market Conditions for the Company's Customers

Domestic Economic Conditions

The Thai Economic Report 2021 and Outlook 2022 of the Krungsri Research Center reported that in 2021, the surge and severity of the outbreak caused a slowdown in the recovery of the Thai economy. The resumption of the COVID-19 epidemic since late 2020 and the widespread outbreak of the delta virus in Thailand in the third quarter of 2021 has resulted in many economic activities being restricted. Under strict epidemic control measures for several months, the outbreak has also spread to businesses. This caused production line stagnation in some industrial and construction sectors. However, in the last quarter of the year vaccination progress increased significantly. The outbreak in the country has eased. There has been a gradual relaxation of strict control measures. Economic activities can resume. As for the outbreak of the new strain of Omicron virus at the end of the year, it again raised concerns about the direction of economic recovery. Overall, the Thai economy in 2021 is likely to grow only slightly at 1.2% from a severe contraction in 2020 of -6.1%.

Market Conditions: Petroleum Exploration and Production

The report on Thai business and industry trends of the Krungsri Research Center reports that the situation in 2021, during the first 9 months, demand for petrochemical products increased. According to the recovery of continuous industries both at home and abroad while the higher the cost of crude oil As a result, the prices of all major product groups, namely Polyethylene (PE) + 28.6% YoY, Polypropylene (PP) +30.4% PET +30.5% and ABS +68.2% YoY, for the rest of the year. It is expected that demand for petrochemical products will continue to recover. As a result, in 2021, domestic petrochemical consumption and export volume will increase by 9.0-9.5% and 5.0% from a contraction of 4.6% and 1.5% in 2020, respectively.

The first 9 months, the average naphtha price was at 630.3 USD/ton, an increase of 67.6% YoY in line with crude oil prices. In 2021, naphtha prices are expected to average at 640 USD/ton. Upstream petrochemical products: Spread of Ethylene averaged \$373.1/ton, up from \$278.1 in the same period last year, while Benzene spread averaged \$301.6/ton, up from \$111.6 in the same period last year, the full 2021 spreads for ethylene and benzene are expected to average around US\$340 and \$278/ton, respectively. Downstream Petrochemical Products: Average Polyethylene (PE) Spreads at \$121.2/ton, down from \$152.1 in the same period last year. (Cost increases more than

product price increases) and Polypropylene (PP) spread averages at \$282.8/ton, up from \$149.4 in 2021. PE and PP spreads are expected to stay average. at 120 and 282 USD/ton, respectively.

The performance of the petrochemical business in 2021 has a better direction. This was reflected in the selling price and increasing sales volume. However, rising raw material costs may put some pressure on earnings.

Outlook for 2022 – 2024: Demand for petrochemical products from downstream industries (e.g. packaging, construction, automobile assembly, etc.) and public health concerns drive up demand for products such as PE, PP and PET to make single-use plastics. Global crude oil prices are expected to rise by an average of \$70. /barrel/year, causing the spread of petrochemicals to be somewhat narrower. Domestic demand for petrochemicals is expected to increase by an average of 3.5-4.0% per year, while export volumes are expected to grow at an average of 4.5-5.0% per year.

Entrepreneurs tend to adjust their production lines to special plastic resins such as ABS, which are used to produce specialty products to meet the needs of downstream industries such as electric vehicle parts, batteries and medical devices. While some entrepreneurs tend to expand their investment in producing environmentally friendly plastic pellets. (Biodegradable plastics) and recycled plastics (Recycled plastics) to increase market opportunities.

More competition from new capacity additions in Asia, such as new petrochemical plants in China. (in accordance with the policy to reduce dependence on imports of petrochemicals) and Malaysia (the PrefChem project, a collaboration between Petronas and Saudi Aramco).

Market Conditions: Construction Industry

Krungsri Research Center's Thai Business and Industry Trends report reports that the situation in 2021 during the first nine months of construction investment was valued at 1,087.2 billion baht, an increase of 5.0% YoY, which was government construction investment of 652.2 billion baht, an increase of 7.8% YoY from Invest in large projects, such as the Map Ta Phut Industrial Port Development Project, Phase 3 (Phase 1 starts in July 2021) and other ongoing projects. Private construction was valued at 435.0 billion baht, an increase of only 0.9% YoY as a result of the sluggish economy. Workers' camps were closed to curb the spread of COVID-19, causing many construction projects to be postponed.

the rest of the year It is expected that public construction investment will continue to expand, such as road repair and construction projects at secondary levels in various regions. Private construction investment is expected to remain sluggish. This is because developers of residential projects for sale and rent tend to slow down new projects in order to accelerate the release of high stocks. reflected from the residential construction permit area Office buildings and hotels during the first 8 months of 2021 contracted 3.0%, 20.1% and 37.9% YoY, respectively. Overall construction investment in 2021 is likely to grow by 5.3%, with a value of approximately 1,385 billion baht. and the private sector, 820.0 and 565.0 billion baht, an increase of 7.7% and 1.9%, respectively.

Outlook for 2022 – 2024 The total construction investment value for the next 3 years is likely to grow by 4.5-6.5% per year, the main driving factor coming from the investment in large-scale government projects. especially projects related to the Eastern Economic Corridor (EEC).

Public construction investment is expected to grow by 6.0-7.0% per annum due to large-scale construction projects linked to the EEC area, which will begin to gradually operate from 2022, both rail and road systems, such as (1) high-speed rail projects linking 3 airports (Don Mueang-Suvarnabhumi-U-Tapao), which the first phase will start during Suvarnabhumi-U-Tapao, and (2) Laem Chabang Port Development Project Phase 3. In addition, there are other important government projects such as the passenger terminal development project. North extension Suvarnabhumi

Airport (Terminal 2) High-Speed Rail Project (Bangkok-Nakhon Ratchasima) Double-track railway project, Khon Kaen-Nong Khai section and the Southern Purple Train Project (Tao Poon - Rat Burana)

Private construction investment is likely to recover at a low level in 2022 and gradually improve in 2023 and 2024, driven by (1) the acceleration of public infrastructure investment inducing private construction to expand accordingly (2) investment in the EEC to encourage the construction of factories and industrial estates in those areas; and (3) government real estate stimulus measures related to housing. Supporting the demand for more houses and condominiums

Large contractors have an advantage over medium and small ones. due to having higher bargaining power with construction material manufacturers/traders and have more chances to get an auction job can also expand construction in neighboring countries Middle and small contractors also rely on sub contracts from large contractors. therefore the income is unstable There is also a chance to face a labor shortage problem caused by COVID-19 that is still very uncertain.

Market Conditions: Port Industry

Ports are a service industry that is of great importance for the economic development of developing countries. It is like a point of confluence on international shipping routes. Thailand has ports located in different regions, which can be divided into inland ports. which serves as the center of trade and transportation of the country and international ports which serves as a port for dealing with foreign trade International ports are deep-sea ports that can accommodate large ocean liners to dock for loading and unloading bulky and heavy cargoes. Water transportation is a low cost transportation. which can transport large volumes of goods at the same time It is important because it can reduce the cost burden for operators who need to transport goods. Although shipping by sea can take a long time

The Krungsri Research Center's Thai Business and Industry Trends reports that from 2021, considering the Bulk Freight Index (BDI) and the Container Shipping Index (HRCI), which increased 221.7% and 284.3% YoY, respectively, due to (1) The economies of major trading partners gradually recovered (IMF expects the world economy to grow by 5.9% in 2021 while the world trade volume grows by 9.7%), resulting in an accelerated purchase of raw materials and various goods (2) the COVID-19 crisis Effects on loading and unloading of goods at the port and surrounding areas reduced number of workers causing delays in moving of reusable containers As a result, the containers are packed in the next round. to be more scarce Due to congestion, ships had to wait in long queues for loading and unloading cargo. and affect the time of shipping by ships. Freight rates are expected to remain at a high level throughout the rest of the year. from the shortage of containers and tonnage that has not yet been resolved

Outlook 2022 – 2024 The volume of marine cargo has a tendency to grow well in line with the economic recovery of countries around the world. The positive effect on the demand for container ships will encourage freight rates to remain high in 2022 before gradually decreasing in 2023-2024. Positive factors from (1) the IMF expects the global economy in 2022, 2023 and 2024 to grow by 4.9 %3.6% and 3.4%, respectively, while UNCTAD expects global maritime trade volume to grow by 3.2%, 2.4% and 2.3% in the same period, respectively. Late new deliveries, BIMCO expects container vessel supply to grow by an average of 3.2% per year, while bulk vessel supply grows by an average of 2.9% per year, with new fleets gradually entering the market from 2023 onwards; and (3) Strict global port management to curb the intermittent spread of COVID-19 may result in delays in port clearance and entry. while the demand for the product continues As a result, freight rates are still in good shape. even though it will gradually decrease in the years 2023 – 2024

8) Competition in the Industry

Even though there are several competitors in the wire rope and lifting equipment industry, only a few of those competitors are large organizations. Within the industry, the customers can be divided into a group that require high operational standards with quality certificates and a group of general customers. Most customers of the Company are large operators that require standards and quality certificates from world-class manufacturers and / or quality certificates from the Company. Since the Company has no price competition policy, the Company focuses more on product quality, comprehensive aftersales service, on-time delivery, and a quality guarantee. Hence, Thai Mui's reputation is well-known and widely accepted by its customers. In addition, the Company has further advantages from having good relationships with the world-class manufacturers as having been their partner for a long time. As a consequence, the Company can offer a variety of products that meet the usage of customers in each industry, allowing the Company to meet the needs of customers more than the competitors.

Those competitors who sell products with reliable and high-quality standards are usually corporations from abroad such as from Singapore. However, the delivery of products to customers from foreign operators will normally take longer time than that of the Company. Thus, the Company maintains its competitive advantage by offering faster delivery.

Name List of Foreign Suppliers:

| Trader | Product Distributed |
|---|--|
| 1. Gaylin International Pte.Ltd. | Wire rope, webbing sling, and lifting equipment |
| 2. KTL Offshore Pte.Ltd. | Wire rope, webbing sling, and lifting equipment |
| 3. Franklin Offshore International Pte.Ltd. | Wire rope, webbing sling, chain, and lifting equipment |
| 4. Oceanic OffshoreEngineering Pte.Ltd. | Wire rope, webbing sling, lubricant, and lifting equipment |

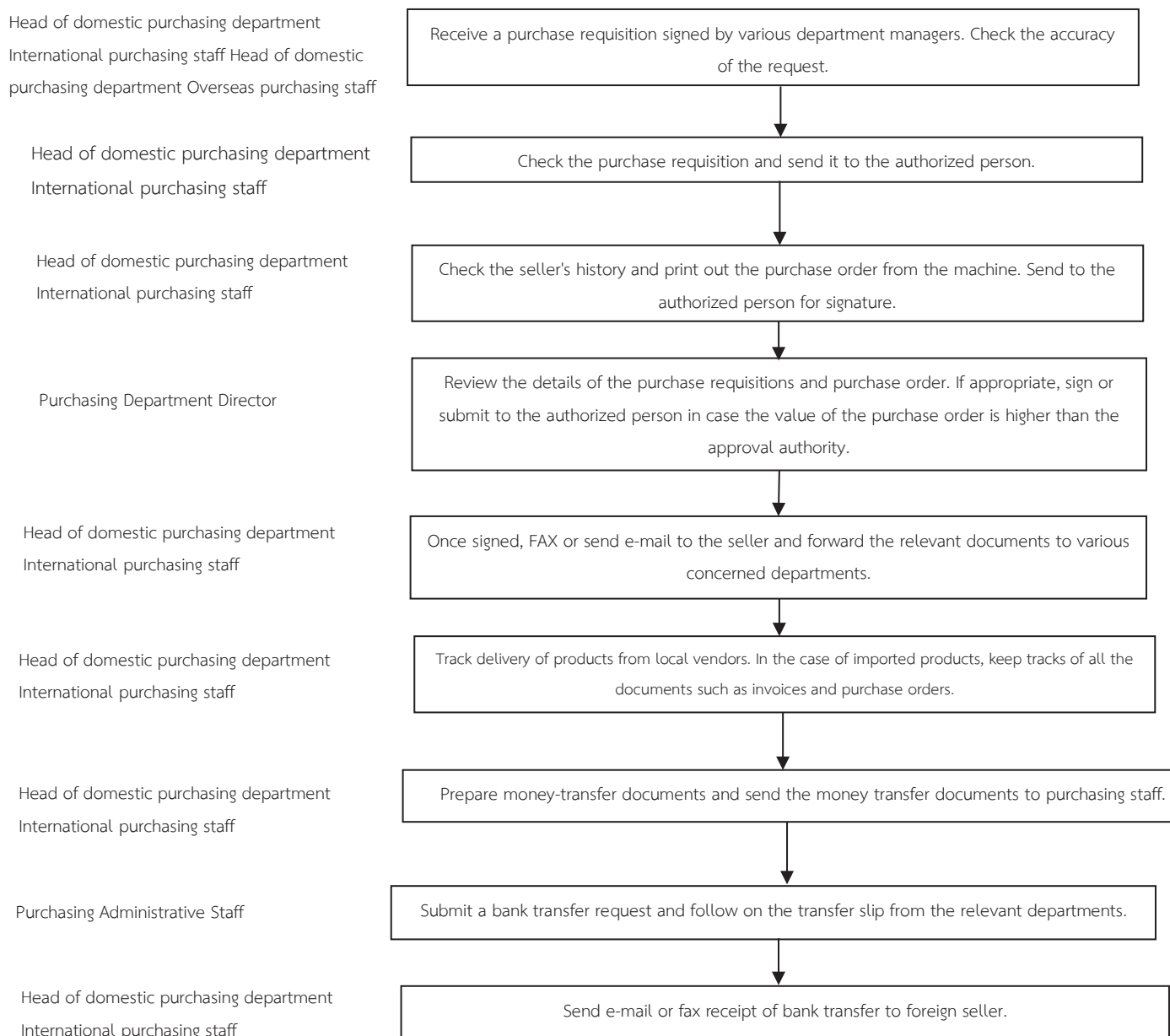
List of Domestic Suppliers:

| Trader | Product Distributed |
|-----------------------------------|---|
| 1. Lee and Steel Company Limited | Wire rope and chain with assembly set, hand hoist and electric hoist, various lifting equipment, steel pipe, stainless steel pipe and various stainless-steel pipe fittings, tensile testing service of sling and chain |
| 2. PPS Steel Company Limited | Wire rope and polyester sling, chain, hand hoist and electric hoist, various lifting equipment, tensile testing of sling and chain, design and installation of crane, electric chain hoist and electric sling. |
| 3. PWA Services Company Limited | Wire rope chain, chain hook, anchor boat and lifting equipment |
| 4. Ha Sengtai Limited Partnership | Wire rope, chain hoist, electric hoist and various hoists, shackles and various lifting equipment |

9) Ordering Process

The Company has the following steps to purchase products both locally and abroad.

The process of purchasing products



Before ordering product, the company plans to place an order. There is a meeting to plan ordering twice a year for both general sales and products under the contract with certain customers. The order quantity is determined from the sales statistics of the past 2 years and the information that the sales department has received from the customer. During the year, if certain types of products are lower than minimum stock, they will be notified to the purchasing department. In order to purchase products suitable for the Minimum Stock quantity specified in the SAP system, the Company currently supplies products from more than 100 manufacturers, totaling 3,000 items in the past. Always consider building a good relationship with manufacturers, however, the Company does not place an order with any manufacturer more than 30% in order to prevent the risk of reliance on any one manufacturer.

10) Warehouses and Storage Procedures

The Company has two main warehouses for storing inventories, namely Samrong warehouse and Sattahip warehouse.

Samrong warehouse is the Company's main warehouse, located at Pu Chao Saming Phrai Road, Samrong, Samut Prakan Province, with an area of 2-0-87.5 rai. It is a land and building lease from Lee and Sun Holding Company Limited which is connected to those who may have conflicts of interest. (See details of related party transactions). In addition, there is also a small rented warehouse in the Samrong warehouse area, the Pinthong warehouse, which is a rented land with an area of 1,080 square meters. It is intended to be a factory for the operation of crimping and tensile strength testing.



Sample image of keeping inventories at Samrong warehouse

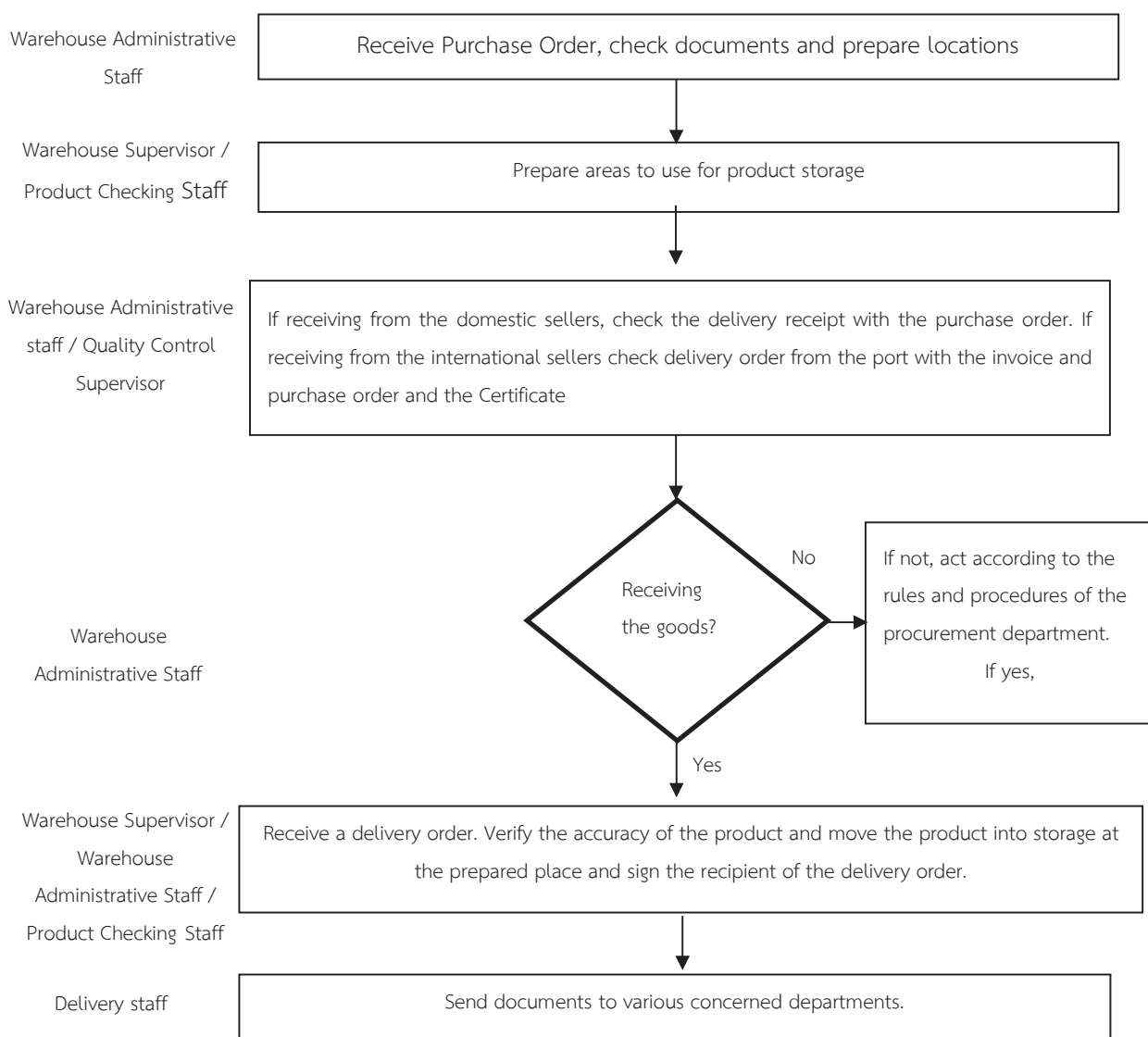
Sattahip Warehouse is located in Sattahip, Chonburi Province. There are 3 parts 1) land and building with the area of 380 square meters 2) land and building with the area of 500 square meters 3) space for storing two 40-feet containers. Sattahip warehouse is a warehouse located in the eastern region for storage of inventories to meet the needs of customers doing business in the East, such as Port industry, oil and natural gas exploration, and nearby industrial plants. The warehouse in Sattahip is a warehouse with the transfer from Samrong warehouse. The Sattahip Warehouse Manager will notify the Samrong warehouse for the replenishment. Once receiving the transfer, the staff will check the details before registering the transfer into the inventory system, with the signature of the consignee in the transfer slip.



Sample image of keeping inventory at Sattahip warehouse

For internal management operations, the Company prepares product codes and QR codes attached to the product, telling the product details such as product type, wire rope structure, thread direction, and length while the QR code indicates the Batch no. which let the Company to be able to trace back all the relevant information from the label.

Process of Receiving Goods



11) Product Preparation Procedures

When the sales department receives orders from customers, they notify the production department of the order and then requests the withdrawal of goods from the warehouse in order to prepare the product. The Company has several services such as the following details below. Once the products are prepared and arranged in the area for delivery, the delivery department will inspect and check the accuracy again.

Wire rope cutting

Once the production department receives the details of the production order, specifying the Batch no., number of the product, then they will check the correctness of the product from the QR code, which will record that product after paying the cut according to the specified details in the order and record the remaining product information back into the system to show the current balance.

Termination or Assembly of Wire Rope

For termination or sling assembly, the Company will check the product details, number of pieces, length required. Then, all documents will be sent to the production department. After the production department receives the production order, the assembly team will review the product list and start the termination of wire rope and / or the assembly of the wire rope set according to the needs of customers. At present, the Company processes 2 crimping machines, size 350 and 600 tons, at the Sattahip warehouse and 2 machines size 1,000, and 2,000 tons respectively

at Pinthong warehouse. The Company can also put the heart loop at the end of the wire rope to prevent the wire rope from biting other equipment and carrying strap attached to the end of the wire rope.

Webbing Sling

The Company sells both webbing slings under the S-NEX brand – own brand - and other brands. There is a limitation of a purchase of webbing sling for re-sale because normally manufacturers usually produce the sling according to the standardized length. However, customers sometimes have a need for specific size and length. Therefore, sewing own's webbing sling makes the Company meet the needs of wider customers.

12) Delivery Procedures

According to the rules of the Company, details such as customer name, place of delivery, product list, amount of delivery are specified to check that the product delivered are correct. Furthermore, at every delivery, the Company will ensure the acceptability by having the customers inspect the product and sign the delivery documents. If accurate to the customer's requirement, the Company will provide the tensile strength testing of the product delivered in order to ensure that customers receive quality products that meet the highest standards.



Product before the delivery to customers

13) Environmental Impact

The business of distributing wire rope products and high-quality lifting equipment of the Company has no significant environmental impact since the Company has strict control of operation within the warehouse building -- strictly complying with relevant environmental laws. Consequently, since the beginning of the Company's operation, the Company has never had any disputes or faced any lawsuits regarding the environmental issues. Neither has it received any warnings or adjustments from the government agencies about negative impacts on the environment.

14) Assets used in business operation

1) Main fixed assets used in business operation

As of December 31, 2021, the main fixed assets used in the business operation of the Company And subsidiaries, namely property, plant and equipment and assets on the long-term lease space Details as follows

| List | Net book value as of December 31, 2021 (MB) | Proprietary | Obligation |
|--|---|-------------|------------|
| Land | | | |
| ■ Samrong Location: 1 1 6 / 1 - 2 Puchasamingprai Rd., Samrong Subdistrict PhraPradaeng District, SamutPrakan Province Title deed No. 124579 Area: 1-3-3.5 rai Title deed number 120630, area: 0-1-84 rai Total area: 2-0-87.5 rai | - | Rent | none |

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| List | Net book value as of December 31, 2021 (MB) | Proprietary | Obligation |
|--|---|----------------------------------|---|
| <ul style="list-style-type: none"> ■ Vacant land Location: Soi Thetsaban Samrong Tai 6, Puchaosamingprai Road, Samrong Subdistrict, Phra Pradaeng District, Samut Prakan Province Title Deed No. 124578 Area: 3-1-1 rai | 32.76 | The company owns ¹ | Take a mortgage, collateral, loan amount ⁴ |
| Buildings and equipment | | | |
| <ul style="list-style-type: none"> ■ Warehouse Building - Samrong Usable area: 2,400 square meters | 8.93 | The company owns ² | none |
| <ul style="list-style-type: none"> ■ Head Office, Commercial building, 5 floors, 2 booths Location: 759 Charoen Krung Rd., Talat Noi Sub-District Samphanthawong District Bangkok Size: 6.5 x 18.5 meters per booth | - | Rent | none |
| <ul style="list-style-type: none"> ■ Sales office in front of the store, 2-storey commercial building Location: 649 Songwat Rd., Samphanthawong Subdistrict Samphanthawong District Bangkok Area: 4.0 x 9.0 m. | - | Rent | none |
| <ul style="list-style-type: none"> ■ Sales office, shape, 1 commercial building, 3 and a half floors Location: 1620/4 Songwat Road, Samphanthawong Subdistrict Samphanthawong District Bangkok Area: 8.0 x 26.0 m. | - | Rent | none |
| <ul style="list-style-type: none"> ■ Sales office, shape, 2 commercial buildings, 3 floors, 2 booths Location: 1634, 1636 Songwat Rd., Samphanthawong Samphanthawong District Bangkok Area: 3.5 x 12.0 meters per booth | - | Rent | none |
| <ul style="list-style-type: none"> ■ Pinthong Warehouse Building 2 Location: Unit D4 45 / 1-3 Moo 4 Soi Wat Mahawong Pu Chao Saming Prai Rd. Phra Pradaeng District, Samrong Tai Subdistrict, Samut Prakan Province Area: 1,080 square meters | - | Rent | none |

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| List | Net book value as of December 31, 2021 (MB) | Proprietary | Obligation |
|---|---|-------------------------------|-----------------------------|
| <ul style="list-style-type: none"> Branch Office and Warehouse - Sattahip Location: 36/34 Moo 5, Sai 332 Road, Plutaluang Subdistrict, Sattahip District, Chonburi Province Usable area: 500 square meters | - | Rent | none |
| <ul style="list-style-type: none"> Machine and equipment | 10.03 | The company owns | none |
| <ul style="list-style-type: none"> Decoration appliance and office equipment | 2.53 | The company owns | none |
| <ul style="list-style-type: none"> Vehicles | 6.38 | Rent / The company owns | Financial leases for 9 cars |
| <ul style="list-style-type: none"> Water quality improvement | - | The company owns ⁴ | contract |
| Total | 60.64 | | |

note

- The Company purchased land from Lee & Sun Holding Company Limited as part of the existing leased area. To expand the warehouse space for additional storage of products The Company received the ownership transfer on the said area on June 16, 2017.
- Samrong warehouse building located in the area of Samrong land, which the Company has rented and added to the existing warehouse building, which is to add support columns to support beams, crane rails. And reinforcing steel beams for crane rail and building structural improvements
- Building improvements consist of the head office building improvements. Sales office has 1 and 2 Sattahip warehouses, side roofs and the back of Samrong warehouse. And the ready-made office of Warehouse Pinthong 2
- Water quality improvement work consists of water treatment buildings located in Chachoengsao Province. Chanthaburi Province, Trat Province and Rayong Province

2) Important Intangible Assets in Business Operation

The Company's intangible assets and a subsidiary company is computer software. Ministry of Commerce The registration of this trademark is valid for 10 years from the date of registration. And can be renewed every 10 years, the details are as follows

| Trademark | Ownership | Protection Type | Status |
|--------------------------|-----------|-------------------|--------------------------------|
| ไทยมุย | Company | Trademark/Service | In the process of registration |
| THAIMUI | Company | Trademark/Service | In the process of registration |
| THAIMUI WE UNDERSTAND | Company | Trademark/Service | In the process of registration |
| s-nex | Company | Trademark/Service | In the process of registration |
| propoint | Company | Trademark/Service | In the process of registration |

3) Insurance for assets used in business

The company has insured the property of the company. The Company's office and warehouse with Chubb Samaggi Insurance Public Company Limited, with important contract details as follows

| | | | | | |
|-------------------------------|--|------------------|----------------|--------------|---------------|
| Counterparty | Chubb Samaggi Insurance Public Company Limited | | | | |
| Contract date | 10 June 2021 | | | | |
| Policy number | 000-21-11-IAR-02642 | | | | |
| Insurance type | Property All Risks Insurance | | | | |
| Insurance period | 1 year starting from 10 June 2021 - 10 June 2022 | | | | |
| Sum insured amount | 252.24 MB | | | | |
| Coverage Value (MB) | <u>building</u> | <u>furniture</u> | <u>Machine</u> | <u>Stock</u> | <u>Total</u> |
| Warehouse Samrong | 10.00 | 2.00 | 3.08 | 124.86 | <u>139.94</u> |
| Head office | 3.52 | 2.00 | - | 0.02 | <u>5.54</u> |
| Sales office | 3.50 | 11.90 | 0.15 | 1.99 | <u>17.54</u> |
| Sales Office Songwad 1 | 3.50 | 2.50 | - | 0.07 | <u>6.07</u> |
| Songwad Sales Office 2 | - | - | - | 3.68 | <u>3.68</u> |
| Pinthong Warehouse Building 2 | 3.00 | 1.00 | 4.10 | 16.12 | <u>24.22</u> |
| Warehouse Sattahip | 2.00 | 0.60 | 32.24 | 20.41 | <u>55.25</u> |
| Coverage | Covers loss or damage to the insured property due to fire, lightning, explosion, and aircraft disaster. Water disaster (Excluding flooding), the danger of shredding and / or Collisions of vehicles, smoke, storms, forest fires, flooding the danger of hail Earthquake disaster or the mountain explodes or undercurrent or tsunami, strike, riots, or other malicious acts (Except for action for political, religious or ideological effects) perils of natural flames or explosions or explosions. And various accidents That cannot be expected from external factors or other dangers Which is not specified in the exception under Property all risks insurance policies are as follow: | | | | |
| | <ol style="list-style-type: none"> 1) Loss or damage to the insured property arising from floods, hail, earthquakes or volcanic eruption or undercurrent or tsunami and the dangers of stormy winds Within the limit of no more than 20.00 million baht per accident. And throughout the insured period Does not provide protection for wind, rain, hail, frost, snow, flood, sand or dust which cause property damage. Outdoor Or stored in an airy building or a building with a wall either side open or connected to a fence or gate Which is subject to the exception of 1.15 in the standard property risk insurance policy 2) Loss or damage to property arising from perils, strikes, riot or other malicious acts. (Except action for political, religious or popular) within the limit of 50.00 million baht per accident. And throughout the insured period 3) Loss or damage caused by burglary showing signs of tampering or violent force entering or exiting the building. Within the limit of 20.00 million baht per accident and throughout the insured period | | | | |
| Extension of coverage | <ol style="list-style-type: none"> 1) This policy extends coverage for loss or damage as follows: - damage to electrical appliances In the amount not exceeding 10.00 million baht per each accident and throughout the insured period | | | | |

| | |
|----------------------------------|---|
| | - (except for the loss or damage of Dry Type Transformer, HTT, Tirathai, Fuji Electric and Electro Bau (EBG) |
| | 2) Glass fracture of the building wall in the amount not exceeding 10.00 million baht per each accident and throughout the insurance period |
| | 3) Legal responsibility for injury or death or damage to property of third parties Due to a faulty facility and / or from the insured's business operations within the insured premises In the amount not exceeding 5.00 million baht per each accident and throughout the insured period |
| Additional important information | However, due to some of the Company's lease agreements the liability of the tenant in the event of damage or deterioration of the leased property is a liability obligation to the lessor. The tenant therefore has insurance to cover the risk. |

4) Significant Contracts in Business Operations

The Company has an important business agreement. Details as follows

4.1) Dealer Appointment Agreement

As of December 31, 2021, the Company has an agreement to be a distributor of products with a manufacturer. Details are as follows

- Wire rope product group, 6 issues
- Handling equipment product group, 3 issues

4.2) Purchase and sale and service agreements

As of December 31, 2021, the Company has contracts to buy, sell and provide services, details as follows:

- 11 contracts to buy and sell
- 2 service contracts

1) Lease and service agreement

As of December 31, 2021, the Company has rental and service agreements. Details as follows

Land and building lease agreement

Contract No. 1: Samrong Warehouse Rental Agreement

| | |
|--------------------------------|--|
| Counterparty | The Company ("Lessee") and Lee & Sun Holding Company Limited ("Lessor") |
| Relationship of the parties | Lessor has a major shareholder with the lessee, namely Mrs. La-or Leelaprachakul, who is the grandmother of Mr. Thachakorn Leelaprachakul, the Company's director and executive. And subsidiaries. |
| Contract date | September 6, 2017 |
| objective | To be the location of the warehouse - Samrong |
| Location of land and buildings | 116/1-2 Soi Thavorn, Puchasamingprai Road, Samrong Subdistrict, Phra Pradaeng District, Samut Prakan Province Title Deed No. 124579 and 120630 |

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| | |
|----------------------------|---|
| Area of land and buildings | <p>Total land area 2-0-87.5 rai</p> <ul style="list-style-type: none"> Land title deed number 124579: 1-3-3.5 rai Land title deed number 120630: 0-1-84 rai <p>Warehouse area 2,400 square meters</p> <p>Office building area 108 square meters</p> |
| Ownership | Lee & Sun Holding Company Limited |
| Rental period | 20 years from 6 September 2017 to 5 September 2037 |
| Rental rate ¹ | <p>200,640 baht per month and increases by 10.00% every 3 years</p> <p>The tenant will charge the tenant a utility fee. At the rate of 5 baht per unit according to actual usage</p> |
| Key condition | <ul style="list-style-type: none"> During the lease term If the lessor wishes to sell the rented property the renter will be the first person having the right to purchase the property. If when the contract expires If either party wishes to terminate the agreement, they must notify the other party in writing at least 2 years prior to the expiration of the contract. Otherwise, it will be deemed that both parties wish to renew the contract for another round, keeping the original lease terms. The tenant will have the right to be the contractor before other parties. And the lessor can't notify the tenant to cancel the rental. |

note

- This is the rental rate based on the appraisal of the property appraiser approved by the Securities and Exchange Commission as of August 1, 2016.
- This agreement is an improvement from the contract dated 1 May 2017 by extending the lease period from 3 years to 20 years, canceling the land lease in the part that the Company The ownership has been transferred from the sale. And add details of the rental area.

Contract No. 2: Sattahip Warehouse Rental Agreement

| | |
|--------------------------------|---|
| Counterparty | The Company ("Lessee") and Thai Oil Tool Machinery Services Company Limited ("Lessor") |
| Relationship of the parties | Not a company / person related to shareholders, directors and executives of the company. |
| Contract date | <u>Contract No. 1</u> No. 32/2019 dated 1 December 2019 <u>Contract No. 2</u> No. 3/2019 dated March 1, 2019 |
| objective | To be the location of the sales office and warehouse - Sattahip |
| Location of land and buildings | 36/34 Moo 5, Sai 332 Road, Plutaluang Subdistrict, Sattahip District, Chonburi Province |
| Area of land and buildings | <u>Contract No. 1</u> Land and 1 building, area 380 square meters. <u>Contract No. 2</u> area with 1 office building, area of 500 square meters. |
| Rental period | <u>Contract No. 1</u> for a period of 3 years <u>Contract No. 2</u> for a period of 2 years |
| Rental rate ¹ | As specified in the contract |
| Key condition | <ul style="list-style-type: none"> The lessor will pay the utility fee and collect it to the lessee later. And will charge the said service at a rate of 10.00%. |

| | |
|--|---|
| | <ul style="list-style-type: none"> ▪ The tenant agrees not to make any additions or modifications. In the land of the lessor Unless the written consent of the landlord has been obtained. ▪ If the tenant takes any action That deviate from the terms of the contract and does not make corrections for the period specified by the lessor Give the tenant the right to terminate the contract. And can claim additional damages. |
|--|---|

Contract No. 3: Rental Agreement at D4, Pinthong 2 Warehouse Building

| | |
|--------------------------------|---|
| Counterparty | The Company ("Lessee") and Srirapha Company Limited ("Lessor") |
| Relationship of the parties | Not a company / person related to shareholders, directors and executives of the company. |
| Contract date | January 1, 2020 |
| objective | To be the location of the factory and warehouse |
| Location of land and buildings | 45 / 1-3 Pinthong Warehouse Building 2 Units D4 Moo 4 Soi Mahawong Temple, Pu Chao Saming Prai Road, Samrong Tai Subdistrict, Phra Pradaeng District, Samut Prakan Province. |
| Area of land and buildings | 1,080 square meters |
| Rental period | 1 year |
| Rental rate ¹ | As specified in the contract |
| Key condition | <ul style="list-style-type: none"> ▪ The lessee pays rent to the lessor within the 7th day of the business day of each month at the lessor's office. ▪ In the event that the tenant fails to pay the rent in the amount and conditions specified above the lessee is liable to pay a late payment penalty to the lessor at the rate of 1.25% of the monthly rental rate and for 2 consecutive months of default, the tenant is deemed to breach the contract. ▪ In the event that the tenant breaches the contract or failing to perform the duties of the tenants under the law the lessor has the right to terminate the contract by notifying the tenant in writing not less than 30 days. ▪ Any additions and modifications will be the property of the lessor. At the end of the contract. |

Office rental agreement**Contract No. 1: Head office lease agreement**

| | |
|-----------------------------|--|
| Counterparty | The Company ("Lessee") and Easy Buy & Sell Limited Company ("Lessor") |
| Relationship of the parties | Lessor has a major shareholder with tenants, namely Mrs. La-or Leelaprachakul, who is the grandmother of Mr. Lawyer. Leelaprachakul, a director and executive of the Company |
| Contract date | 1 May 2017 |
| objective | To be the location of the headquarters building |
| Location of the building | 759 Charoen Krung Rd., Talat Noi Subdistrict, Samphanthawong District Bangkok |
| area | 2 booths hit through each other, each booth is 6.5 x 18.5 m. |
| Rental period | 3 years.If either party terminates the contract in writing, it shall be deemed that the contract is valid for another 3 years. |

| | |
|-------------|--|
| Rental rate | 282,450 baht per month and fixed throughout the contract period And charge the office utilities according to the actual By using the utility bill |
| note | <ul style="list-style-type: none"> ▪ Lessor can adjust the rental rate up to not more than 10.00% of the previous rental rate. ▪ Contract renewal or rental increase must be approved by the Audit Committee of the Company. |

Contract No. 2: Point of Sale Office Rental Agreement

| | |
|-----------------------------|---|
| Counterparty | The Company ("Lessee") and Pathum Ganga Ratchaworawihan Temple ("Lessor") |
| Relationship of the parties | Not a company / person related to shareholders, directors and executives of the company. |
| objective | To be the location of the storefront sales office |
| Location of the building | 649 Songwat Road, Samphanthawong Samphanthawong District Bangkok |
| area | 4.0 x 9.0 m |
| Rental period | 20 years from 15 Sep 2008 - 14 Sep 2028 |
| Rental rate | As specified in the contract |
| Important condition | <ul style="list-style-type: none"> ▪ Building extension and the buildings will become the ownership of the lessor the tenants cannot demolish them. Unless it is the will of the lessor. ▪ If the landlord wishes to return the property, the tenant will be notified at least 30 days in advance, even during the termination of the contract for any reason. The tenant agrees to leave the rental premises within the specified period. This agreement is deemed to be terminated and will not claim any damages. ▪ The tenant is required to insure fire at all times for the rental according to the insured amount set by the lessor according to the construction price. Let the tenant pay the insurance premium. The lessor is the beneficiary of the insurance. In the event of a fire, the insurance deposit is the total lessor. And if the tenant will arrange to repair the damaged part in the original condition the lessor will hand over the money received from the insurance to arrange the construction. If this is not enough, the tenant is responsible for the rest. |

Contract No. 3: Sales Office Lease Agreement, Songkhla 1

| | |
|-----------------------------|---|
| Counterparty | The Company ("Lessee") and Pathum Ganga Ratchaworawihan Temple ("Lessor") |
| Relationship of the parties | Not a company / person related to shareholders, directors and executives of the company. |
| objective | To be the location of the sales office Songwad 1 |
| Location of the building | 1620/4 Songwat Road, Samphanthawong Samphanthawong District Bangkok |
| area | 8.0 x 26.0 m |
| Rental period | 20 years from September 15, 2008 to September 14, 2028 |
| Rental rate | As specified in the contract |
| Important condition | <ul style="list-style-type: none"> ▪ Building extension and the buildings will become the ownership of the lessor the tenants cannot demolish them. Unless it is the will of the lessor. |

| | |
|--|--|
| | <ul style="list-style-type: none"> ■ If the landlord wishes to return the property, the tenant will be notified at least 30 days in advance, even during the termination of the contract for any reason. The tenant agrees to leave the place of rental within the specified period. This agreement is deemed to be terminated and will not claim any damages. ■ The tenant is required to insure fire at all times for the rental according to the insured amount set by the lessor according to the construction price. Let the tenant pay the insurance premium. The lessor is the beneficiary of the insurance. In the event of a fire, the insurance deposit is the total lessor. And if the tenant will arrange to repair the damaged part in the original condition the lessor will hand over the money received from the insurance to arrange the construction. If this is not enough, the tenant is responsible for the rest. |
|--|--|

Contract No. 4: Sales Office Lease Agreement 2

| | |
|-----------------------------|--|
| Counterparty | The Company ("Lessee") and Pathum Ganga Ratchaworawihan Temple ("Lessor") |
| Relationship of the parties | Not a company / person related to shareholders, directors and executives of the company. |
| objective | For the location of the sales office Songwad 2 |
| Location of the building | 1634, 1636 Songwat Road, Samphanthawong Samphanthawong District Bangkok |
| area | 2 booths, each booth size 3.5 X 12.0 m. |
| Rental period | 20 years from September 15, 2008 to September 14, 2028 |
| Rental rate | As specified in the contract |
| Important condition | <ul style="list-style-type: none"> ■ Building extension and the buildings will become the ownership of the lessor the tenants cannot demolish them. Unless it is the will of the lessor ■ If the landlord wishes to return the property, the tenant will be notified at least 30 days in advance, even during the termination of the contract for any reason. The tenant agrees to leave the place of rental within the specified period. This agreement is deemed to be terminated and will not claim any damages. ■ The tenant is required to insure fire at all times for the rental according to the insured amount set by the lessor according to the construction price. Let the tenant pay the insurance premium. The lessor is the beneficiary of the insurance. In the event of a fire, the insurance deposit is the total lessor. And if the tenant will arrange to repair the damaged part in the original condition the lessor will hand over the money received from the insurance to arrange the construction. If this is not enough, the tenant is responsible for the rest. |

Loan agreement

As of December 31, 2021, the Company issued a bill of exchange offering in a limited amount of 60.00 million baht and entered into a loan agreement with a financial institution. Details as follows

Loan agreement

| | |
|---------------------|--|
| Contract date | August 3, 2017 |
| Counterparty | The Company ("Borrower") and A financial institution ("Financial institution") |
| Loan limit | 97,000,000 baht divided into |
| objective | 1. Overdraft loans 5.00 million baht 2. Loans issued promissory notes of 32.00 million baht. 3. Foreign credit 30.00 million baht. 4. Hedging limit of foreign exchange rate 30.00 million baht |
| Collateral details | For use in conducting business according to normal trade |
| Term of a guarantee | Land Title Deed No. 124578 Soi Thetsaban Samrong Tai 6, Pu Chao Saming Prai Road, Samrong Subdistrict, Phra Pradaeng District, Samut Prakan Province |
| Collateral provider | 30 years |
| Contract date | Company |

| | |
|---------------------|--|
| Contract date | April 5, 2019 |
| Counterparty | The Company ("Borrower") and A financial institution ("Financial institution") |
| Loan limit | 50,000,000 baht |
| objective | For use in conducting business according to normal trade |
| Collateral details | Register your collateral Bank account on behalf of loan applicant It is the amount of farm money, conditions and methods specified by the financial institution. |
| Term of a guarantee | According to the contract |
| Collateral provider | Company |

Investment Policy in Subsidiaries and Associated Companies

As of December 31, 2021, the Company has 2 subsidiaries, namely Propoint Global Consultant Company Limited and Trend Asia Corporation Company Limited, whereby the Company has a policy to invest in any company or subsidiary that operates to create benefits that are consistent with the business objectives of the company. By focusing on the development and generating income and profit of the company. To protect the interests of shareholders By the Company's Board of Directors Will jointly consider the investment policy of the company Taking into account the necessity, suitability and benefits of the company. And shareholders are important and comply with the requirements of the Stock Exchange of Thailand Regarding the entering into a connected transaction or the acquisition or disposition of assets of the Company Strictly Regarding the supervision of that subsidiary Will send directors or executives to represent If the operation affects the company Significantly Must seek approval from the Board of Directors meeting of the Company first.

Shareholding structure

1) **Number of registered and paid-up capital.** At present, the company has a registered capital of 170,000,000 baht (one hundred and seventy million baht) considering of issued and paid-up capital in full amount of 170,000,000 baht (one hundred and seventy million baht) divided into 340,000,000 ordinary shares with a par value of 0.50 baht (Fifty Satang).

2) **Shareholders.** The list of the top 10 major shareholders listed in the share registration book as of 13 January 2021 can be summarized as follows:

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| List of Shareholders | Number of shares | percent |
|--------------------------------------|--------------------|---------------|
| 1. Mr. Veerapol Leelaprachakul | 51,015,300 | 15.00 |
| 2. Mrs. La-or Leelaprachakul | 38,818,800 | 11.42 |
| 3. Mr. Tchakorn Leelaprachakul | 20,649,220 | 6.07 |
| 4. Mr. Arkapol Leelaprachakul | 20,649,220 | 6.07 |
| 5. Ms. Narida Leelaprachakul | 20,649,220 | 6.07 |
| 6. Mr. Ekbordin Leelaprachakul | 20,649,050 | 6.07 |
| 7. Mr. Krid Leelaprachakul | 20,649,050 | 6.07 |
| 8. Master Narispong Leelaprachakul | 20,649,050 | 6.07 |
| 9. Mrs. Tuanghong Leelaprachakul | 9,717,200 | 2.86 |
| 10. Mr. Wittaya Narathatsajan | 6,600,000 | 1.94 |
| The top 10 major shareholders | 230,046,110 | 67.64 |
| Other shareholders | 109,953,890 | 32.36 |
| Total | 340,000,000 | 100.00 |

Source: List of major shareholders as of 13 January 2021 by Thailand Securities Depository Company Limited

Dividend payment policy

The Board of Directors may consider paying the annual dividend of the company and/or its subsidiaries by having to gain approval of the shareholders' at the shareholders' meeting of the Company and/or its subsidiaries, except for the interim dividend payment, which the Board of Directors has the authority to approve from time to time when the Company and/or its subsidiaries are considered to be reasonably profitable to do so. Then, the decision must be reported to the shareholders of the Company and/or its subsidiaries at the next meeting.

The Company and its subsidiaries have a policy to pay dividends from the separate financial statements at a rate of not less than 50.00 percent of net profit after tax, and after the legal reserve and other reserves (if any). The Board of Directors is authorized to consider paying dividends, taking into account of various factors that will maximize the shareholders' benefits, such as, reserving enough funds to repay loans, investment plan for business expansion, or to support the cash flow of the Company in the event that there is an impact from changes and fluctuation in the market conditions.

History of dividend payment to net profit for the year 2019 - 2021

| List | | 2019 | 2020 (Revised version) | 2021 |
|-------------------------------------|----|--------------------|---------------------------|------|
| Net Profit (Loss) | MB | 31.24 | - | - |
| Dividend paid | MB | 15.30 ¹ | - | - |
| Dividend Payment Ratio ³ | % | 48.98 | - | - |

Note 1. Dividend payments in 2019 was an interim dividend payment from the retained earnings totaling 15.30 million baht which was approved by the Board of Directors Meeting No. 5/2019 on 10th of July 2019

2. Dividend payment ratio = dividend payment / net profit

The Board of Directors Meeting No. 1/2020 held on February 27, 2020 and Board of Directors Meeting No. 1/2021 held on March 1, 2021, approved the omission of net profits for the year 2020 and the year 2021 as dividends. due to economic conditions causing the company's operating results to have a loss.

Relationship with the major shareholder's business group

No business operations between the company with a group of major shareholders.

2

Risk Management

2. Risk Management

The company has established a systematic risk management policy throughout the organization since December 2015. By establishing a Risk Management Committee to serve in the formulation of policies, systems, and assessment of various risks, both arising from external factors and from management. and operating within the organization as well as set guidelines for risk management and management to an acceptable level, with operational communication to employees to realize the importance of risk management The Company's risk management process is as follows:

2.1 Policy formulation and risk management criteria

It is the formulation of policies, objectives, scope, and responsibilities. Criteria and guidelines for risk management in accordance with strategies, goals, plans and directions of business operations. which the company will review annually and will proceed with the preparation of the business plan to ensure consistency.

2.2 Risk identification

This is to identify risks that may affect the achievement of objectives and goals. By considering the risks arising from internal and external factors such as environmental, legal, financial, information systems, decision-making information systems investor satisfaction investment management human resources reputation and image security system, etc. The company will manage the risks by considering the prioritization of risks before considering the control system. If it is in a very high and very high threshold, the company will analyze those risks for use in management first.

2.3 Risk analysis

This is an analysis to assess the level of risk remaining after the assessment. existing control system and prioritizing risks. If the remaining risk remains high or very high-risk management measures must be established immediately. by senior management responsible. And if the remaining risk is moderate or low Determine measures to manage at the department level or correct them in the operating process.

2.4 Risk management

It defines how to formulate a plan to manage critical risks. as are prioritized in the risk analysis phase. There are several ways to manage risk, such as control, risk transfer. avoidance of risks taking advantage of risks or accepting risks.

2.5 Follow-up and Review

It is the process of monitoring the risk management results according to the plan set forth. including assessing risk management results The Risk Management Committee will monitor and report to the senior management and the Audit Committee.

Risk Management Policy

1. Introduction

Thai Mui Corporation Public Company Limited (“the Company”) considers risk management as part of good corporate governance. to achieve the various objectives of the company. As well as mitigate various impacts from risks that may occur to shareholders “Risk refers to the likelihood of events that may occur and have an impact on the Company. And the risks can be measured by the potential impacts.”

2. Objectives

Risk Management Policy has the following objectives

- 2.1 Determine the Company's risk management operation to be consistent and implement it throughout the Company.
- 2.2 There are appropriately defined risk control responsibilities.

3. Scope

This policy applies to the operations of the Company. This applies to all employees and executives at all levels.

4. Risk Management Policy

Every unit must have a systematic and continuous risk management under the same standardized risk management process. By using information technology to speed up communication and processing, as well as need to be monitored and evaluated and adjust the risk management plan at regular intervals to achieve the objectives.

5. Benefits of risk management

When the company has good and appropriate risk management, the company will benefit directly from risk management as follows:

- 5.1 The results of operations are in accordance with the goals and objectives.
- 5.2 Promote continuous and sustainable growth Create value for the company and its shareholders
- 5.3 Promote good corporate governance
- 5.4 Encourage employees to realize and understand the importance of risk management, which will result in continued vigilance in work.
- 5.5 In preparing various plans, the results of risk analysis can be used in decision-making.
- 5.6 Helping to formulate the Company's objectives and strategies to be complete and consistent with an acceptable level of risk.
- 5.7 Promote preparation and solutions to any problems that may arise and affect the Company's operations.

In addition to the direct benefits that the company does not receive, there are other benefits that the company receives from risk management as follows:

- There is a technology and information system that helps to store data, calculations, reports, and review data accurately, completely, quickly.
- Executives have information to use in making decisions more accurately and quickly.

- Resources are allocated appropriately. considering the worthiness of the investment
- Engage employees in the company and integration with other systems of the organization that will jointly drive the organization to achieve the goals set.

6. responsibility

- 6.1 The Board of Directors has overall responsibilities. in overseeing the management of risks within the company
- 6.2 The Audit Committee supports the Board of Directors in the performance of risk management duties by reviewing to ensure that the risk management system is appropriate and effective.
- 6.3 The Executive Committee is responsible for considering and reviewing the Company's risk management and internal control systems.
- 6.4 The Chairman of the Executive Committee is responsible for the implementation of this policy. and supervise to ensure continuous compliance through the Risk Management Committee which consists of Company executives and independent director Audit Committee
- 6.5 The Risk Management Committee is responsible for ensuring that significant business risks has been and identified and assessed on a regular basis. In addition, effective risk management measures have been established. responsible for the following matters:
- Prepare risk management policies Strategy and criteria for risk management to propose to the Board of Directors for consideration and approval
 - Consider reviewing the risks and the Company's risk management guidelines as assessed by the risk owner agency including giving suggestions to improve
 - Supervise the efficiency of the company's risk management process. by monitoring and reviewing at least 6 months twice a year
 - Report the risks with high and very high-risk levels to the Chairman of the Executive Committee. Board of Directors the Audit Committee and the Board of Directors acknowledged.
 - Regularly review this policy.
- 6.6 The Internal Audit Office is responsible for Responsibility for reviewing the effectiveness of internal control through annual internal audits. This is an audit of critical business processes based on risk factors. as well as follow up on improvements to fix the detected bugs.
- 6.7 All executives and employees are responsible for identifying, analyzing, evaluating, and prioritizing the risks of the departments for which they are responsible. including determining appropriate measures to manage risks

7. Risk Management Methods

The company has implemented risk management in accordance with ISO 9002: 2008 standard which specifies procedures for each step of risk management. to apply to the company's risk management

8. Policy Review

The Risk Management Committee must review this policy annually. and propose to the Audit Committee and the Board of Directors for approval if there is any improvement or change.



Driving business for sustainability

3. Driving business for sustainability

3.1 Sustainability Management Policies and Goals

The Company and its Subsidiaries Have the intention to run the business to grow under the framework of good governance be transparent can check It is also committed to business development while creating a balance of economy, community, society, and environment. By considering the impact of business operations on those who are involved with the company in all aspects and determined to maintain themselves as a company that is a role model for society in running business with stability and sustainability. accepted in society based on ethics and good corporate governance principles. This aims to be able to live happily with the community and society. and develop to enhance progress at the same time. Therefore, in accordance with the above intent and concepts. Therefore, the Company has established 7 social and environmental responsibility policies as follows:

1) Conducting business with fairness

The Company has a policy to compete in business by fair marketing and consumer protection. Considering the impact of stakeholders including anti-dumping including against all forms of corruption Encourage all executives and employees to constantly learn and develop themselves. and strictly comply with the policy on fair competition Do not use competitive methods that take advantage of competitors in any way that is unfair. and/or is against business ethics.

2) Anti-corruption and corruption

The Company is aware of the impact of corruption. Therefore, there is an anti-corruption policy and all forms of corruption in the organization If there is clear evidence of corruption of any employee or executive, the Company has the highest measure to determine the penalty of that person. and take appropriate legal action in addition, to prevent corruption that may occur within the organization or between organizations, the company has set up a system of operating procedures within the company to have a balance of power. and there is a review between individuals or between parties at almost every step. including hiring an auditing office to be responsible for internal supervision and auditing and to instill in personnel the awareness of the impact of corruption The Company has also set guidelines for this matter in the “Company Business Ethics Handbook” and provide opportunities for personnel within the Company and outsiders to report clues or complaints in case of corruption in accordance with the policy of “While Reporting or Complaints” established.

3) Respect human rights

The Company places importance on respecting and treating stakeholders both internally and externally. with equality and equality by adhering to the principles of universal respect for human rights, which are fundamental rights to life and work; The right to express opinions and expressions including economic, social, cultural, religious and political rights without discrimination on race, religion, infringement of rights, including not taking advantage of all stakeholder groups and includes those who need special care, such as children, women, the disabled, the elderly, etc., as well as not doing anything that violates the rights and liberties of individuals directly and indirectly

4) Treat workers fairly

The company has a policy that all employees can live together under a happy working environment. Employees at all levels are treated like brothers and sisters. There is no mutual exploitation. By respecting and obeying the law and ethical principles Non-discrimination in employment Workers are protected and have basic rights Remuneration is determined fairly. and appropriate welfare arrangements as well as being safe and having a good working environment as well as encouraging personnel to develop knowledge and abilities have a good attitude Have morals and ethics and work as a team.

5) Responsibility to consumers

The company has a policy to focus on doing business with customers. As a consumer with honesty Uphold the terms of the contracts entered with customers and deliver products that meet quality standards. meet the needs of customers Including providing accurate and sufficient information to customers in deciding to buy a product. Focus on building good relationship with customers. by focusing on creating maximum satisfaction for customers by being responsible, caring and giving priority to customers' problems and needs.

6) Participate in community and society development

The Company has a policy to promote participation in helping, taking care of, and building relationships with nearby communities and societies. by allowing executives and employees to treat local communities that live close to the Company with friendliness Respect the rights of people in the community responsible Provide opportunities for local communities to participate support and community development in various fields to have a well-being as appropriate, such as promotion of education, culture, public health, economy, job creation and income generation, etc. Support activities that are beneficial to society and cooperate with the government and local agencies with willingness and sacrifice as well as provide corrective action in case of any problems resulting from the fair operation of the Company. and have equality.

7) Take care of the environment

The company has a policy of environmental responsibility. with strict compliance with environmental laws Encourage effective environmental management by allowing executives and employees to jointly take responsibility for overseeing and improving the production process to have the least impact on the surrounding environment and must take immediate and urgent corrective action in the event of an environmental complaint. It also promotes and educates the environment to employees at all levels of the Company. to use as a common guideline in developing and taking care of environmental responsibility.

3.2 Managing impact on stakeholders in the business value chain

| Stakeholders | Expectation | Channel | Key Operations |
|--------------|--------------------|--|--|
| Shareholder | - Good performance | - Annual General Meeting of Shareholders | - Perform duties with honesty as well as decide to take any action with honesty and fairness |

| Stakeholders | Expectation | Channel | Key Operations |
|-----------------|--|---|--|
| | <ul style="list-style-type: none"> - Transparent and timely disclosure of information - dividend payment | <ul style="list-style-type: none"> - Opportunity Day - Annual Report - Quarterly performance report - Business visit - Communication channels through various media such as telephone, website, E-mail, etc. | <ul style="list-style-type: none"> - Manage the company's business for stable growth and produce appropriate returns - Perform duties with competence and caution as a knowledgeable person experience and expertise - Report on the status and performance of the company equally, regularly, and completely truthfully. - Do not unlawfully disclose the company's confidential information to others. Do not take any action in a manner that may cause a conflict of interest with the Company. |
| Employee | <ul style="list-style-type: none"> - Organize employee training to develop employees' potential - Employee welfare | <ul style="list-style-type: none"> - Survey employee satisfaction towards the organization - Performance appraisal | <ul style="list-style-type: none"> - Provide appropriate compensation based on knowledge, ability, responsibility, and the performance of each employee - Appointment and relocation Including rewarding and punishing employees must be done with equality, good faith and based on knowledge, ability, and appropriateness. Including the actions or practices of such employees - Treating employees with kindness and justice Taking care of the importance of development knowledge transfer and the ability of employees thoroughly and consistently - Comply with the law and regulations related to employees strictly - Maintain the working environment to be safe for the life, health, body, and property of employees always. - Encourage employees' participation in setting the direction of work and solving the problems of the company. - Receive opinions and suggestions from employees at all levels equally and equitably. - Treat employees based on human dignity and respect for individual rights. |

| Stakeholders | Expectation | Channel | Key Operations |
|-----------------|---|---|---|
| Customer | <ul style="list-style-type: none"> - Fair performance of contracts, agreements, or conditions - Good quality of work - Duration of operation - Responding to customer needs - Anti-corruption and corruption | <ul style="list-style-type: none"> - Opportunity day - Annual report - Communication channels through various media such as telephone, website, e-mail, etc. | <ul style="list-style-type: none"> - Comply with contracts, agreements or conditions with customers in the event that it is unable to comply, must negotiate with customers in advance. To jointly find solutions - Determined to create satisfaction and confidence for customers to receive excellent quality service under appropriate safety and technology as well as raising the standard to a higher level continuously and seriously - Disclosure information about the service completely, accurately, and up-to-date and does not distort the facts including maintaining good and lasting relationships - Organize customer service system allow customers to complain of dissatisfaction and take action to respond quickly to their needs. - Operate with a reasonable cost as possible. While maintaining the quality of service that meets the standards - Take the importance of keeping confidential customer information seriously and consistently. And do not use such information for their own benefit and those involved - Not asking, not accepting, or giving any dishonest benefits to customers |
| Partner | <ul style="list-style-type: none"> - Fair performance of contracts, agreements, or conditions - Anti-corruption and corruption | <ul style="list-style-type: none"> - Business visit - Communication channels through various media such as telephone, website, E-mail, etc. | <ul style="list-style-type: none"> - Comply with contracts, agreements, or conditions with partners if it is unable to comply, it is necessary to negotiate with business partners in advance. To jointly find solutions and prevent damage - Treat business partners equally and fairly and is based on obtaining fair returns for both parties. - Do not call for, receive, or give any dishonest benefits to business partners. |
| Creditor | <ul style="list-style-type: none"> - Fair performance of contracts, | <ul style="list-style-type: none"> - Annual report | <ul style="list-style-type: none"> - Comply with contracts, agreements, or conditions with creditors in the event |

| Stakeholders | Expectation | Channel | Key Operations |
|--------------------------------|--|---|---|
| | <ul style="list-style-type: none"> agreements, or conditions - Disclosure of information transparently, accurately, completely and on time - Anti-corruption and corruption | <ul style="list-style-type: none"> - Quarterly performance report - Business visit - Communication channels through various media such as telephone, website, e-mail, etc. | <ul style="list-style-type: none"> that it is unable to comply, it is necessary to negotiate with creditors in advance. To jointly find solutions and prevent damage - Regularly report accurate, complete, and timely financial information to creditors. - Not asking, not accepting, or giving any dishonest benefits to creditors |
| Competitor | <ul style="list-style-type: none"> - Compliance with the rules of good competition - Compliance with relevant rules, regulations, and laws - Anti-corruption and corruption | <ul style="list-style-type: none"> - Participating in various activities to exchange useful information | <ul style="list-style-type: none"> - Behave within the framework of good competition rules - Do not seek confidential information of competitors by dishonest means. Or inappropriate - Do not damage the reputation of competitors with a malicious accusation without the truth |
| Society And Environment | <ul style="list-style-type: none"> - Promote and support social activities that are beneficial to the community and society. - Anti-corruption and corruption | <ul style="list-style-type: none"> - Participation in various activities with the community and/or society - Listening to suggestions and complaints | <ul style="list-style-type: none"> - Focus on community and social activities by focusing on social, community and environmental development Focus on creation and conservation of natural resources including supporting public interest activities - Cultivate a sense of social responsibility and the environment to occur in the company and employees at all levels continuously - Cooperate and control to strictly comply with the intent of the law and related regulations - Fast response overall and effective against events that affect the environment and the community due to the Company's operations by fully cooperating with government officials and relevant agencies in adhering to democracy and encourage employees to exercise their right to vote in accordance with the Constitution |

3.3 Sustainability Management in Environmental Dimensions

The company has a policy of environmental responsibility. with strict compliance with environmental laws Encourage effective environmental management by allowing executives and employees to jointly take responsibility for overseeing and improving the production process to have the least impact on the surrounding environment and must take immediate and urgent corrective action in the event of an environmental complaint. It also promotes and educates the environment to employees at all levels of the Company. to use as a common guideline in developing and taking care of environmental responsibilities such as

- 1) The company has a policy for all departments to store documents in soft file format instead of storing documents in hard copy format.
- 2) The company has a policy to use paper cost-effectively. by printing documents on both sides to reduce paper usage
- 3) The Company has a policy for all departments to periods when there are no employees in the work area Turn off the lights or air conditioners to reduce energy consumption.

3.4 Sustainability management in social dimensions

The Company has a policy to promote participation in helping, taking care of, and building relationships with nearby communities and societies. by allowing executives and employees to treat local communities that live close to the Company with friendliness Respect the rights of people in the community responsible Provide opportunities for local communities to participate support and community development in various fields to have a well-being as appropriate, such as promotion of education, culture, public health, economy, job creation and income generation, etc. Support activities that are beneficial to society and cooperate with the government and local agencies with willingness and sacrifice as well as provide corrective action in case of any problems resulting from the fair operation of the Company. and have equality.

The Company has complied with the overall policy of conducting business with social responsibility as follows:

- 1) Operations in accordance with the policy

The company focuses on cultivating employees to understand the goals of the organization. And operate with awareness of social responsibility. The company communicates the policy on social responsibility to all employees through the company's corporate governance policy. which has been promulgated for general information for all employees to follow in the right direction in the same direction in addition, employees are encouraged to attend trainings to enhance their working skills and to participate in activities for the benefit of society and the environment regularly.

- 2) Report preparation process

The company has considered the framework of guidelines. Implementation of social responsibility and established policies and an annual report on the performance of the social responsibility policy is presented to the management. It will be disclosed in the annual registration statement to be published every year after listing on the stock exchange.

4

Management Discussion and Analysis (MD&A)

4. Management Discussion and Analysis (MD&A)

Explanation and analysis of financial status and operating results

The core businesses of the company include being a supplier and distributor of high-quality wire rope products and lifting equipment. With the focus on customers who give emphasis on the quality of products and after-sales services, the company regards these group of customers to be the ones with high potentials for future business growth. The groups of customers include those from the following industries: factories and plants in industrial estates, petroleum exploration and production, construction, and port. More importantly, the company selects only premium-quality wire ropes and lifting equipment manufactured by leading and renowned wire rope manufacturers from various countries around the world such as Bridon, Usha, Kiswire, and Crosby. Moreover, the company provides the wire-rope extruding service to cater to the customers' needs, ready for immediate use. In addition, the company can provide a certificate from the manufacturer, known as Mill Certificate, that certifies the origin and the properties of the wire rope, the casing of the given caring equipment. In the certificate, the material, diameter of wire rope, and the tensile strength will be specified. In addition, the company can test the tensile strength of the wire rope and issue a certificate in the name of the company, known as Load Test Certificate. Besides, the company can provide service by independent experts, issuing certificates according to the needs of customers to ensure confidence in the products delivered.

Up until now, the company has been giving great emphasis on procuring and selling solely quality products and giving importance to building good relationships between business partners, both product manufacturers and customers. As per our vision, the company sets a goal to be a leader in the distribution of wire ropes and quality lifting equipment by paying close attention to the selection of good and high-quality products from world-class manufacturers that are accepted by the international safety standards. Apart from selecting first rate products, the company aims to cater and supply products according to customers' needs as quickly as possible. Moreover, the company is committed to providing services and assistance to our customers in every situation, with a dedicated team to advise on the use of products and provide after-sales services.

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

Sales and services revenue

For the year 2020 and 2021, sales and services revenue were 329.44 million baht and 354.84 million baht, respectively. Classified as sales revenue, there was 315.03 million baht and 332.60 million baht and service revenue of 14.41 million baht and 22.24 million baht, respectively. In this regard, the Company had revenue from sales and services increased from the same period of the previous year by 25.40 million baht or 7.71%, this was due to an increase in revenue from sales and services of wire rope equipment.

Cost of sales and services and gross profit

For the year 2020 and 2021, Cost of sales and services was 207.91 million baht and 219.19 million baht. Cost of sales was 195.58 million baht and 204.50 million baht, respectively. Cost of services was 12.33 million baht and 14.69 million baht, However the increase in cost of sales and services is in line with the increase in sales and service income. As a result, the Company had gross profit of 121.53 million baht and 135.65 million baht,

representing a gross profit margin of 36.89% and 38.23%, respectively. Cost of sales and services increased by 11.28 million baht or 5.43%, This was due to the increase in cost of sales and service of wire rope equipment.

Sales expenses

For the year 2020 and 2021, the company had sales expenses of 31.97 million baht and 38.36 million baht, respectively. Increased from the same period of the previous year by 6.39 million baht, or an increase of 19.99%. Overall, selling expenses increased. It is an expense related to the salesperson. and shipping costs, etc.

Administrative expenses

For the year 2020 and 2021, the Company had administrative expenses in the amount of 94 million baht and 92.19 million baht, respectively. Decreased from the same period of the previous year by 1.81 million baht or 1.93%. Overall, administrative expenses have decreased. It's an employee expense. and doubtful debts, etc.

Net profit (loss)

For the year 2020 and 2021, the Company had a net profit (loss) of (10.99) million baht and (0.77) million baht, representing a net profit (loss) of (3.34%) and (0.22%), respectively. There was a net loss decreased from the same period of the previous year amounting to 10.22 million baht or a decrease of 92.99% from the same period of the previous year.

Financial statement

Total assets

As of December 31, 2020, and December 31, 2021, the Company had total assets of 634.52 million baht and 644.24 million baht, respectively, an increase of 9.72 million baht or 1.53%. The increase in total assets of the Company consisted of trade accounts receivable and other current receivables. receivable under lease inventories, etc. The decrease part consisted of Cash and cash equivalents Assets, rights of use, etc.

Total asset as of December 31, 2020, and December 31, 2021, can be classified into current assets of 394.13 million baht and 407.80 million baht, respectively, non-current assets of 240.39 million baht and 236.44 million baht, respectively.

Total liabilities and total equities

As of December 31, 2020, and December 31, 2021, the Company had total liabilities of 255.62 million baht and 266.11 million baht, respectively, an increase of 10.49 million baht or 4.10%. The Company's liabilities consist of short-term loans from financial institutions. Trade and other payables and reserve for long-term employee benefits, etc.

In this regard, the Company had shareholders' equity during that period of 378.90 million baht and 378.13 million baht, a decrease of 0.77 million baht or a decrease of 0.20%.

Important financial information

Statement of financial position

| Statement of financial position | Checked | | | | | |
|---|---------------------------|---------------|---------------|---------------|---------------|---------------|
| | 31 Dec 2019 (Restated) | | 31 Dec 2020 | | 31 Dec 2021 | |
| | MB | % | MB | % | MB | % |
| Current assets | | | | | | |
| Cash and cash equivalents | 45.48 | 7.58 | 64.46 | 10.16 | 40.73 | 6.32 |
| Current investments | 0.04 | 0.01 | - | - | - | - |
| Trade and other receivables | 83.14 | 13.85 | 74.57 | 11.75 | 101.82 | 15.80 |
| Current portion of lease receivable | 3.54 | 0.59 | 14.16 | 2.23 | 17.70 | 2.75 |
| Inventories | 300.51 | 50.05 | 238.80 | 37.63 | 244.90 | 38.01 |
| Other current financial assets | - | - | 0.04 | 0.01 | 0.04 | 0.01 |
| Other current assets | - | - | 2.10 | 0.33 | 2.61 | 0.41 |
| Total current assets | 432.71 | 72.07 | 394.13 | 62.11 | 407.80 | 63.30 |
| Non-current assets | | | | | | |
| Restricted bank deposits | 16.15 | 2.69 | 15.92 | 2.51 | 16.17 | 2.51 |
| Lease receivable - net of current portion | 11.89 | 1.98 | 47.75 | 7.53 | 56.35 | 8.75 |
| Investments in subsidiaries | 83.27 | 13.87 | 61.26 | 9.65 | 60.64 | 9.41 |
| Property, plant, and equipment | - | - | 59.41 | 9.36 | 48.60 | 7.54 |
| Right-of-use assets | 44.43 | 7.40 | 43.48 | 6.85 | 41.96 | 6.51 |
| Intangible assets | 6.52 | 1.09 | 7.60 | 1.20 | 8.20 | 1.27 |
| Deferred tax assets | 5.41 | 0.90 | 4.97 | 0.78 | 4.52 | 0.70 |
| Total non-current assets | 167.67 | 27.93 | 240.39 | 37.89 | 236.44 | 36.70 |
| Total assets | 600.38 | 100.00 | 634.52 | 100.00 | 644.24 | 100.00 |
| Current liabilities | | | | | | |
| Short-term loans from financial institutions | 32.00 | 5.33 | 32.00 | 5.04 | 45.75 | 7.10 |
| Trade and other payables | 63.24 | 10.53 | 64.82 | 10.22 | 72.40 | 11.24 |
| Short-term loans from related parties | 4.23 | 0.70 | 4.23 | 0.67 | 4.23 | 0.66 |
| Current portion of long-term loan from financial institution | 17.00 | 2.83 | 12.58 | 1.98 | 21.85 | 3.39 |
| Current portion of liabilities under finance lease agreements | 4.50 | 1.75 | - | - | - | - |
| Current portion of long-term lease liabilities | - | - | 12.02 | 1.89 | 11.86 | 1.84 |
| Income tax payable | 0.31 | 0.05 | - | - | - | - |
| Other current liabilities | 2.74 | 0.46 | 1.64 | 0.26 | 1.79 | 0.28 |
| Total current liabilities | 124.02 | 20.66 | 127.29 | 20.06 | 157.88 | 24.51 |

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

| Statement of financial position | Checked | | | | | |
|---|---------------------------|---------------|---------------|---------------|---------------|---------------|
| | 31 Dec 2019 (Restated) | | 31 Dec 2020 | | 31 Dec 2021 | |
| | MB | % | MB | % | MB | % |
| Non-current liabilities | | | | | | |
| Long-term loan from financial institution - net of current portion | 53.82 | 8.96 | 58.17 | 9.17 | 45.26 | 7.03 |
| Liabilities under finance lease agreements - net of current portion | 9.43 | 1.57 | - | - | - | - |
| Long-term lease liabilities - net of current portion | - | - | 45.35 | 7.15 | 35.66 | 5.54 |
| Provision for long-term employee benefits | 14.54 | 2.42 | 16.24 | 2.56 | 18.97 | 2.94 |
| Deferred tax liabilities | 8.66 | 1.44 | 8.57 | 1.35 | 8.34 | 1.29 |
| Total non-current liabilities | 86.45 | 14.40 | 128.33 | 20.22 | 108.23 | 16.80 |
| Total liabilities | 210.47 | 35.06 | 255.62 | 40.29 | 266.11 | 41.31 |
| Shareholders' equity | | | | | | |
| Registered | 170.00 | 28.32 | 170.00 | 26.79 | 170.00 | 26.39 |
| Issued and fully paid up | 170.00 | 28.32 | 170.00 | 26.79 | 170.00 | 26.39 |
| Share premium | 210.68 | 35.09 | 210.68 | 33.20 | 210.68 | 32.70 |
| Surplus on business combination | 4.66 | 0.78 | 4.66 | 0.73 | 4.66 | 0.72 |
| Retained earnings - Appropriated-statutory reserve | 5.00 | 0.83 | 5.00 | 0.79 | 5.00 | 0.78 |
| Retained earnings - Unappropriated (retained deficit) | (9.92) | (1.65) | (22.13) | (3.49) | (21.63) | (3.36) |
| Non-controlling interests of the subsidiary | 9.49 | 1.58 | 10.69 | 1.68 | 9.42 | 1.46 |
| Total shareholders' equity | 389.91 | 64.94 | 378.90 | 59.71 | 378.13 | 58.69 |
| Total liabilities and shareholders' equity | 600.38 | 100.00 | 634.52 | 100.00 | 644.24 | 100.00 |

Statement of comprehensive income

| Statement of comprehensive income | Checked | | |
|-----------------------------------|---------------------------|-----------------|-----------------|
| | 31 Dec 2019 (Restated) | 31 Dec 2020 | 31 Dec 2021 |
| | MB | MB | MB |
| Sales and service income | 360.67 | 329.44 | 354.84 |
| Cost of sales and services | (224.58) | (207.91) | (219.19) |
| Gross profit | 136.09 | 121.53 | 135.65 |
| Selling and distribution expenses | (36.83) | (31.97) | (38.36) |
| Administrative expenses | (111.95) | (94.00) | (92.19) |
| Total expenses | (148.78) | (125.97) | (130.55) |

| Statement of comprehensive income | Checked | | |
|---|---------------------------|-------------|-------------|
| | 31 Dec 2019 (Restated) | 31 Dec 2020 | 31 Dec 2021 |
| | MB | MB | MB |
| Profit (loss) before financial expenses and income tax | (12.69) | (4.44) | 5.10 |
| Finance cost | (3.41) | (7.42) | (6.44) |
| Loss before income tax income | (16.10) | (11.86) | (1.34) |
| Income tax income | 1.67 | 0.87 | 0.57 |
| Loss for the year | (14.43) | (10.99) | (0.77) |
| Other comprehensive income: | (0.57) | 0.59 | - |
| Total comprehensive income for the year | (15.00) | (10.40) | (0.77) |
| <u>Loss per share (Baht)</u> | | | |
| Basic loss per share | 0.042 | (0.036) | 0.001 |
| Weighted average number of ordinary share (million share) | 340.00 | 340.00 | 340.00 |

Cash flows statement

| Cash flows statement | Checked | | |
|---|--------------------|---------|---------|
| | 2019 (Restated) | 2020 | 2021 |
| | MB | MB | MB |
| <u>Cash flows from operating activities</u> | | | |
| Loss before tax | (16.10) | (11.86) | (1.34) |
| Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities | | | |
| <i>Depreciation and amortisation</i> | 11.90 | 18.65 | 19.39 |
| <i>Allowance for expected credit losses</i> | - | 1.16 | (0.35) |
| <i>Allowance for doubtful debts</i> | 7.93 | - | - |
| <i>Inventory reduction cost to net realisable value</i> | 0.62 | 0.55 | (1.51) |
| <i>Provision for returned goods (Reversal)</i> | 0.63 | (2.06) | - |
| <i>Gain on price bargaining</i> | (0.32) | - | - |
| <i>Write-off withholding tax deducted at source</i> | - | 0.44 | - |
| <i>Provision for long-term employee benefits</i> | 4.43 | 2.63 | 2.89 |
| <i>Unrealised gain on exchange</i> | (0.01) | (0.01) | 0.38 |
| <i>Loss on disposal of equipment</i> | - | 0.02 | - |
| <i>Interest income</i> | - | (0.93) | (0.69) |
| <i>Interest expenses</i> | 3.31 | 7.42 | 6.44 |
| Profit from operating activities before changes in operating assets and liabilities | 12.39 | 16.01 | 25.21 |
| <u>Operating assets (increase) decrease</u> | | | |
| Trade and other receivables | 55.29 | (45.96) | (39.11) |

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

| Cash flows statement | Checked | | |
|--|--------------------|----------------|----------------|
| | 2019 (Restated) | 2020 | 2021 |
| | MB | MB | MB |
| Inventories | 20.64 | 61.15 | (4.59) |
| Other current assets | - | 2.10 | 0.23 |
| Other non-current assets | (1.66) | 0.45 | 0.44 |
| Operating liabilities increase (decrease) | | | |
| Trade and other payables | (61.53) | (0.20) | 10.61 |
| Other current liabilities | - | 0.96 | 0.15 |
| Cash flows from operating activities | 25.13 | 34.51 | (7.06) |
| Employee benefits paid during the year | (0.88) | (0.20) | (0.16) |
| Cash paid for corporate income tax | (2.55) | (0.90) | (1.00) |
| Net cash flows from operating activities | 21.70 | 33.41 | (8.22) |
| Cash flows from investing activities | | | |
| (Increase) decrease in restricted bank deposits | (15.10) | 0.23 | (0.25) |
| Cash paid for acquisition in subsidiary | (15.91) | - | - |
| Acquisition of property, plant, and equipment | (38.26) | (2.81) | (3.73) |
| Acquisition of intangible assets | (0.07) | - | - |
| Cash received from interest income | - | 0.14 | 0.77 |
| Net cash flows used in investing activities | (69.34) | (2.44) | (3.21) |
| Cash flows from financing activities | | | |
| Short-term loans from financial institutions increased | - | - | 27.44 |
| Cash paid to settle short-term loans from financial institutions | (4.62) | - | (13.69) |
| Cash received from long-term loans from financial institutions | 71.01 | - | - |
| Cash paid to settle long-term loans from financial institutions | (0.20) | (0.05) | (3.64) |
| Cash received from short-term loan from related party | 4.22 | - | - |
| Cash paid for short-term loans from related person | (16.13) | - | - |
| Cash paid for lease liabilities | (5.96) | (11.94) | (15.98) |
| Dividend paid | (15.30) | - | - |
| Cash paid for interest expenses | (5.89) | - | (6.43) |
| Net cash flows from (used in) financing activities | 27.13 | (11.99) | (12.30) |
| Net increase (decrease) in cash and cash equivalents | (20.51) | 18.98 | (23.73) |
| Cash and cash equivalents at beginning of year | 65.99 | 45.48 | 64.46 |
| Cash and cash equivalents at end of year | 45.48 | 64.46 | 40.73 |

Important financial ratios

| Financial ratios | Unit | 2019 (Restated) | 2020 | 2021 |
|-----------------------------|------|--------------------|--------|--------|
| Profitability Ratio | | | | |
| Return on Equity | % | (3.61) | (3.26) | 0.14 |
| Return on Asset | % | (2.23) | (0.72) | 0.80 |
| Net Profit Margin | % | (3.96) | (3.70) | 0.14 |
| EBIT Margin | % | (0.04) | (0.01) | 0.01 |
| Gross Profit Margin | % | 37.28 | 36.71 | 37.54 |
| Leverage Ratio | | | | |
| D/E Ratio | | 0.55 | 0.69 | 0.72 |
| Interest Coverage | | 3.72 | 0.60 | (0.79) |
| Liquidity Ratio | | | | |
| Current Ratio | | 3.49 | 3.10 | 2.58 |
| Quick Ratio | | 1.04 | 1.09 | 0.90 |
| Activity Ratio | | | | |
| Fixed Asset Turnover | | 4.29 | 4.56 | 5.82 |
| Total Asset Turnover | | 0.63 | 0.53 | 0.55 |
| Inventory Turnover | | 0.85 | 0.77 | 0.91 |
| Average Sale Period | Days | 427.05 | 473.39 | 402.73 |
| Account Receivable Turnover | | 3.04 | 4.17 | 3.98 |
| Average Collection Period | Days | 120.07 | 87.61 | 91.73 |
| Account Payable Turnover | | 3.51 | 3.25 | 3.19 |
| Average Payment Period | Days | 103.88 | 112.41 | 114.25 |
| Cash Cycle | Days | 443.25 | 448.59 | 380.21 |

5

General information and other important information

5. General information and other important information

5.1 General information

Name of the issuing company (English) : Thai Mui Corporation Public Company Limited ("Company" or "THMUI")
 Name of the issuing company (Thai) : บริษัท ไทยมุย คอร์ปอเรชั่น จำกัด (มหาชน)
 Company registration number : 0107560000281
 Nature of business : Distributor of wire rope products and lifting equipment
 Contact information Office Location : 759 Charoenkrung Road, Talad Noi, Samphanthawong, Bangkok 10100
 Phone : 02-235-2940 to 9
 Fax : 02-236-8336 or 02-639-4022
 Website : www.thaimui.co.th
 Registered capital : 170,000,000 baht (one hundred seventy million baht)
 Issued and paid-up capital : 170,000,000 baht (one hundred seventy million baht)
 Type and number of shares sold : 340,000,000 ordinary shares (three hundred and forty million shares)
 Par value : 0.50 baht per share

5.2 Other important information

Company Secretary Ms. Pailin Sriwilai
 759 Charoen Krung Road, Talad Noi, Samphanthawong,
 Bangkok 10100
 Phone: 02-235-2940 to 9 Fax: 02-236-8336 or 02-639-4022
 E-mail: pailin@propointglobal.co.th
 Investor Relations Mrs. Sarinrath Leelaprachakul and Mrs. Sunee Jantarotorn
 Phone: 02-235-2940 to 9 Fax: 02-236-8336 or 02-639-4022
 E-mail: info@thaimui.co.th
 Securities Registrar RHB Securities (Thailand) Public Company Limited
 98 Sathorn Square Office Tower, 10th Floor North Sathorn Road, Silom, Bang Rak,
 Bangkok 10500
 Auditor Khun Siriwan Suratepin, Certified Public Accountant Registration Number 4604
 EY Office Company Limited
 193 / 136-137 Lake Ratchada Building Office Complex, Floor 33,
 Ratchadaphisek Road, Klongtoey Subdistrict, Klongtoey District, Bangkok 10110
 Phone: 02-264-0777 Fax: 02-264-0789
 Internal Auditor Internal Audit Committee
 Thai Mui Corporation Public Company Limited
 Phone: 02-235-2940 to 9 Fax: 02-236-8336 or 02-639-4022

5.3 Legal Disputes

As of December 31, 2021, the Company has no legal disputes that have a material impact on the Company's business operations.

5.4 Secondary market

- none -

5.5 Financial institutions that are regularly contacted (Only if the company issues debt securities)

- none -

Part 2

Corporate Governance

6

Corporate Governance Policy

6. Corporate Governance Policy

The Company's emphasis on good corporate governance practice is in accordance with the principles set by the Stock Exchange of Thailand ("The Stock Exchange"). This indicates the Company's performance that is in line with the international standards with strengthened transparency and effective management, which will in turn build confidence for shareholders, investors, and all stakeholders alike. It is believed that this will lead to the stable progress and it is viewed as an effective tool to increase and promote the value of the Company's sustainable growth. The Company has set the rules and regulations in compliance with the Principles of Good Corporate Governance for Listed Companies, 2012, providing the guidelines that cover 5 principles of corporate governance, including:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Roles of Stakeholders
4. Information Disclosure and Transparency
5. Responsibilities of the Board of Directors

Section 1: Rights of shareholders

The Company has a policy to treat all shareholders equally and with impartiality. In accordance with the rules and regulations of the relevant authorities, the shareholders' meeting process is conducted openly, transparently, and fairly. Every shareholder is entitled to equal rights set out below.

1. The Company shall send meeting invitations together with supporting information for the meeting in regard to various agendas with specified objectives and reasons, together with the opinions of the Board of Directors for every and each agenda in order to allow shareholders to study the information in advance before the date of the shareholders' meeting. With respect to the time period prescribed by laws, notifications and other related regulations, the Company allows the shareholders to appoint an independent director or any other person to attend the meeting on their behalf, using the proxy form enclosed with the invitation letter, in the event that they are unable to attend the meeting in person.
2. The Company shall facilitate the equitable treatment of all shareholders in attending the meeting both in terms of the appropriate time and location.
3. In the shareholders' meeting, the meeting will consider and cast vote in keeping with the specified agenda without changing any important information or adding an agenda in an unexpected manner during the meeting. The Company shall also provide

opportunities for shareholders to have equal rights in monitoring and inquiring, expressing opinions and suggestions on the operations of the Company. The Directors and related executives must attend the shareholders' meeting to answer any questions that may arise in the meeting.

4. The Company shall increase the channels for communication of the news for the shareholders via the company's website. By bringing various news and details on the Company's website, particularly the invitation to the shareholders' meeting, the Company shall publish in advance the necessary information before the meeting date so that the shareholders can conveniently and completely download the meeting agenda and review all the relevant information.
5. All directors shall in unison attend the meeting to answer the questions from the shareholders.
6. The Company shall record the minutes of the meeting, including the questions, the suggestions, and the resolutions of the meeting and the number of votes that agree, disagree or abstain on each agenda in writing for the shareholders and related parties to check. There must also be the dissemination of the minutes of the meeting on the Company's website after the meeting has been completed and submitted to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting.
7. The Company shall increase the convenience for shareholders to receive dividends by directly transferring the money to their relative bank accounts (if there is a dividend payment) in order to facilitate the receipt of dividend payment on time, preventing any problems that may arise from the damage, delay, or loss of checks sent.

Section 2: Equitable Treatment of Shareholders

The Company has a guideline for a fair and equal treatment of all shareholders including foreign shareholders, be they executives or not, be they major shareholders or minority shareholders, by setting and defining good practices as follows.

1. The Board of Directors gives all shareholders equal rights to monitor the operation of the Company in every shareholder meeting. The shareholders are able to ask fully and free to express their opinions and suggestions.
2. The Company shall facilitate the minority shareholders to be able to nominate directors or adding agenda to the meeting in advance of the shareholders' meeting. The Company must set clear rules in advance on methods allowing the minority shareholders to do so.

3. The Company shall provide convenience for shareholders who are unable to attend the meeting in person by allowing shareholders to appoint a person or any independent directors of the company to attend the meeting and vote on their behalf. The Company will propose at least 1 independent director in the notice or the invitation of the shareholders' meeting.
4. The meeting will be conducted in keeping with the Company's regulations and in the order of the meeting agenda for which the Company must provide sufficient and clear documents for consideration of each agenda, without adding further agenda not previously notified in advance, unless compulsory, especially for the critical agenda that shareholders may need time to study the information before making a decision.
5. The Company shall treat all shareholders equally whether they are major shareholders or minority shareholders, whether they are Thai or of foreign nationalities.
6. The Company shall make use of ballots for decision making on important items of the meeting's agenda such as selling or acquisition transactions, related party transactions to increase the transparency and trustworthiness.

Section 3: Roles of Stakeholders

The Company recognizes the importance of overseeing the internal stakeholders including shareholders and employees and external stakeholders including customers, partners, creditors, competitors, other agencies, and related communities. The stakeholders will be taken care of by the Company. According to the rights that are in accordance with relevant laws or the agreement with the Company, the Company will not violate the rights of those stakeholders. The Company has established policies and guidelines for various groups of stakeholders as stated below.

1. Policy guidelines for treatment of shareholders

The Company, along with its directors, has to conduct business with honesty, prudence, care and a broad vision, not seeking benefits for themselves and their kinfolk and not exploiting the confidential information of the organization that has not yet been disclosed to the public. The Company may not take any action which may instigate any conflicts of interest.

2. Policy guidelines for treatment of employees

The Company has a clear set of policy to treat employees fairly, to manage with unbiased judgement, to support the potential enhancement of work efficiency, to provide appropriate welfare, to treat employees with honesty, and to listen to comments and suggestions with kind understandings and sound logic. The Company

shall also encourage the employees to understand the business ethics which they should follow.

3. Policy guidelines for treatment of customers

The Company has a policy to treat the customers according to the business ethics that the Company has strictly specified as follows:

- Treat customers fairly in terms of providing products and services and without discrimination;
- Do not disclose any information of the customers derived from any business operations. The information regarding the customers is to be reserved and not disclosed in any event, except where obliged by laws;
- Enable the customers to make complaints about the lack of products and services;
- Disclose accurate and complete information about products and services;
- Fairly comply with various terms and conditions agreed with customers. If not able to comply due to any adequate reasons, the Company and its staff must notify the customers and must together find a solution acceptable for both parties.

4. Policy guidelines for treatment of partners and / or creditors

The Company has a policy to treat business partners fairly by not claiming or receiving any benefits that cannot be justified by the partners. In case of not being able to comply with any earlier agreed conditions, the Company and its staff shall promptly inform the partners in advance to find solutions.

5. Policy guidelines for treatments of competitors

The Company has a policy to treat competitors under the framework of fair competition and good rules, not seeking the confidential information of competitors in any dishonest manner.

6. Policy guidelines for treatment of the community, society and environment

The Company has a policy to comply with relevant laws and regulations. The Company shall operate the business with social responsibility by providing assistance and support and volunteering for activities that are beneficial to the community and society.

Section 4: Information Disclosure and Transparency

The Board of Directors has a policy to disclose only accurate, complete, and adequate financial and other information, related to the business and operating performance of the Company in a consistent and timely manner, reflecting the true financial status and entrepreneurship, as well as the future of the business of the Company.

The Board of Directors is committed to ensuring compliance with laws, regulations relating to information disclosure and transparency. The Company shall provide information on the Company's website, in both Thai and English, and through the media distribution channels Media of the Stock Exchange of Thailand, for shareholders and other related parties to learn about the company information thoroughly. The Company shall make changes in accordance with the guidelines of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The Company shall also offer the service of investor relations officer to communicate with the investors, shareholders, institutional investors, and minority shareholders. The Company will regularly arrange a meeting to analyze the Company's performance and disseminate the corporate information, both financial and general information to shareholders, securities analyst, credit rating companies, and related government agencies via various channels, such as reporting to the SET Securities and Exchange Commission and the website of the Company. In addition, the Company also emphasizes the importance of regular disclosing information in both Thai and English so that shareholders receive regular news through the Company's website. On the website, the information on vision, mission, financial statements, press releases, annual report, the Company's structure and management, and the shareholding structure is always updated.

Moreover, the Company sees the significance of financial reports used in reflecting the actual financial status and operating results of the Company, which must be based on accurate, complete and adequate accounting information in accordance with the generally accepted accounting standards. The Company will disclose information on each director as well as the roles and duties of the Board of Directors and the Sub-Committees of the Company in the Company's annual report (Form 56-2) and the Annual Registration Statement (Form 56-1). The Company will also disclose the remuneration of directors and the top management in the Company's annual report (Form 56-2) and in the annual registration statement (Form 56-1)

Section 5: Responsibilities of the Board

1. Composition of the Board of Directors

Board of Directors must hold the following elements:

- 1.1 According to the Company's regulations, the Board of Directors must comprise of not less than 5 members and not less than half of the total number of directors must have residence in the Kingdom of Thailand. The Director of the Company must be qualified as required by law and the director may or may not be the shareholder of the company.
- 1.2 The Board of Directors must consist of executive directors, non-executive director, and independent directors, with the number of independent director accounting for

at least one third of the total directors and not less than 3 persons. Qualifications of independent directors must be as prescribed by the SEC.

1.3 The Board of Directors is to select one director from non-executive directors as the chairman of the board.

1.4 The Board of Directors is to select one person to act as the Secretary of the Board of Directors. The Secretary of the Board of Directors may or may not be a director.

1.5 The Board of Directors is to select one person to act as the Company Secretary.

2. Meeting of the Board of Directors

The Company sets the criteria for the Board of Directors meeting as follows.

2.1 The Board of Directors must arrange a meeting to acknowledge the Company's performance at least every 3 months and at least 6 times per year. In the meeting, directors must express their opinions and use independent discretion. The directors should attend every meeting, except in the event of an unforeseen circumstance for which the directors must inform the secretary of the Board of Directors in advance. The Company must report the number of meeting attendance of the Board in the annual report. The Secretary to the Board of Directors must send the invitation letter to all directors specifying the date, time, place and agenda of the meeting at least 7 days in advance. The Secretary shall collect documents for the meeting from the directors and the management to deliver to the Board in advance and such documents must provide sufficient information for decision-making. The Secretary to the Board of Directors must be the record holder of the meeting in order to prepare a meeting report which requires complete content and the minutes must be completed within 15 days from the date of the completion of the meeting to submit to the Chairman of the Board of Directors for signature. The Secretary must provide a good storage system that is easy for retrieval and maintain the confidentiality of the information.

2.2 Any director who may have a conflict of interest in any matter has no right to vote on that particular matter.

2.3 Regarding the voting at the Board of Directors' Meeting, decisions should be made based on the majority of votes. In the case of equal votes, the chairman of the meeting shall have an additional vote as a casting vote. However, the opinion of other directors which did not vote to agree must be specified in the minutes of the meeting.

3. Performance evaluation of the Board of Directors

The Company has set an annual performance evaluation of the Board of Directors in order to jointly consider and summarize the results of the work and to review the past performance, problems and obstacles, and jointly find solutions to improve the work of the Board of Directors to be more effective.

4. Directors' remuneration

The Company has set the criteria for consideration and approval of remuneration for directors as follows:

- 4.1 The remuneration is to be comparable to the level that is accepted in the industry and to that of other listed companies in the stock market which operates in a similar business and has a comparable size.
- 4.2 The remuneration shall be considered according to the experience, roles, duties and responsibilities.
- 4.3 The remuneration shall be considered according to the expected contribution from each director.
- 4.4 The remuneration shall be in accordance with the principles and policies set by the Board of Directors, within the framework approved by the shareholders' meeting, for the maximum benefit of the company. At the same time, the remuneration should be attractive and able to motivate the director's participation while taking into account the best benefits of the shareholders.

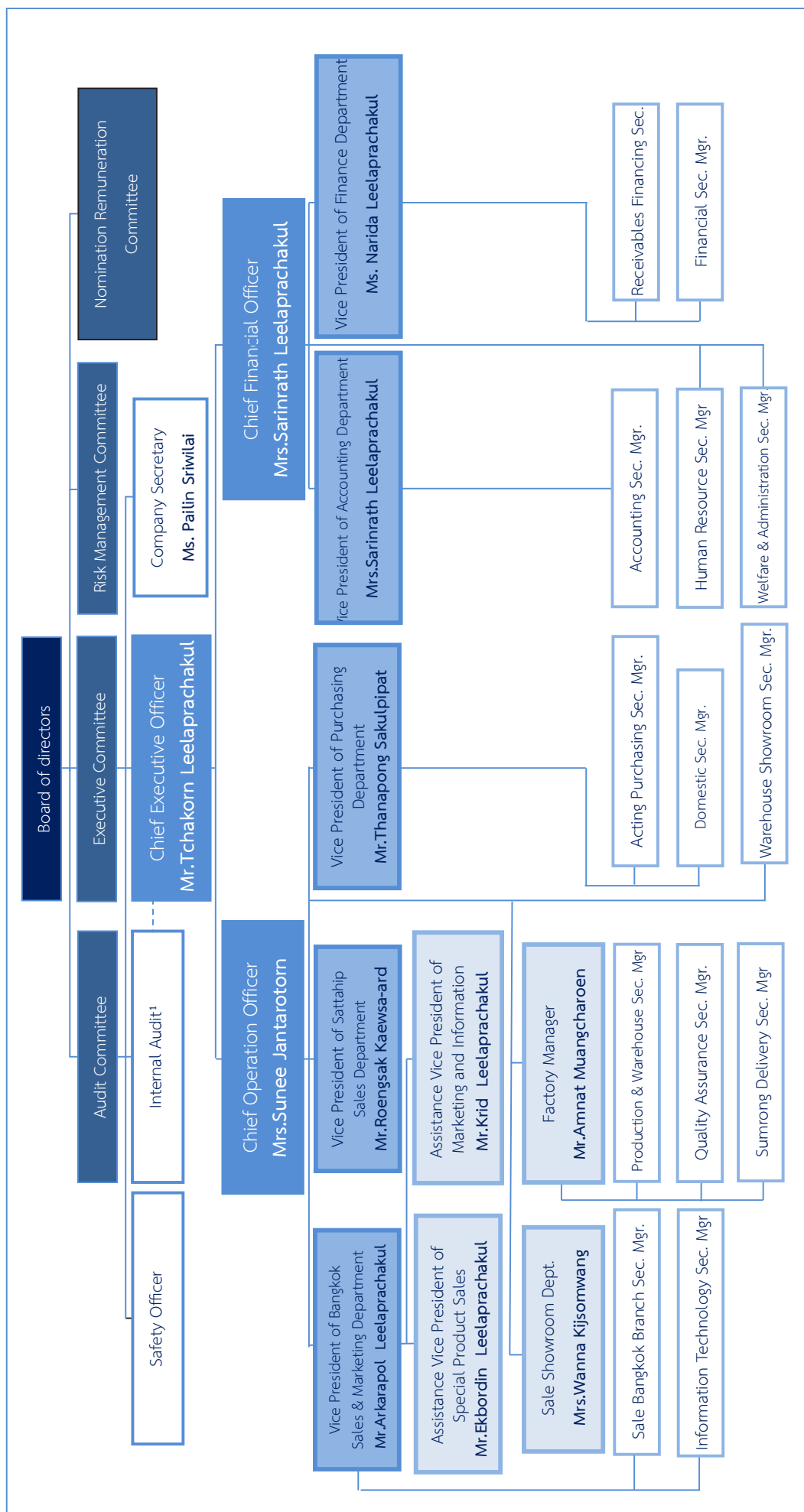
5. Development of directors and executives

In order to increase the efficiency of the work of various committees, the Company encourages the Board of Directors and senior management to participate in seminars that are beneficial to the performance of duties, including regular meetings with the Board of Directors and senior executives from various organizations. This can be done through attending a course organized by an organization that oversees the training of its employees, courses organized by government regulators or other independent organizations such as the course "Company Directors Program" by Thai Institute of Directors which The Securities and Exchange Commission requires that directors of any listed companies must attend at least one course. For example, the courses include, namely, Directors Certification Program (DCP), Directors Accreditation Program (DAP) and Audit Committee Program (ACP). This is to bring wider knowledge and new experience for the development of the Company.



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

As of 31st December 2021, the company has the following organization structure



Note

1. The company appoints the internal audit committee of the company. is the auditor of the Company's internal control system

Management Structure

The management structure of the Company consists of the Board of Directors and 4 sub-committees, including the Audit Committee, the Executive Committee, the Risk Management Committee, and the Nomination and Remuneration Committee. For the structure of the Board of Directors, there are at least 3 independent directors and not less than one-third of the total number of directors of the Company. All independent directors and members of the Audit Committee are, in all respects, qualified in accordance with the rules specified in the notification of Capital Market Supervisory Board no. 28/2008 regarding the application for permission and permission to offer newly issued shares (and with additional amendments).

The Board of Directors

As of 31st December 2021, the Board of Directors consists of 7 directors as the following:

| List | Position | Date of appointment as a director |
|--------------------------------------|--|-----------------------------------|
| 1. Mr. Pitipat Thitasirinant | - Chairman of the Board of Directors - Chairman of the Audit Committee - Chairman of the Nomination and Remuneration Committee - Independent Director | 12 Apr 21 to Present (Agenda 3) |
| 2. Mr. Tchakorn Leelaprachakul | - Director - Nomination and Remuneration Committee - Risk Management Committee | 12 Apr 21 to Present (Agenda 3) |
| 3. Mr. Arkapol Leelaprachakul | - Director | 27 Apr 20 to present (Agenda 1) |
| 4. Mr. Ekbordin Leelaprachakul | - Director | 27 Apr 20 to present (Agenda 1) |
| 5. Miss Duenpun Leelavivat | - Director - Risk Management Committee - Nomination and Remuneration Committee | 29 Apr 19 to Present (Agenda 2) |
| 6. Mr. Kulawachara Bhurichayawarodom | - Director - Chairman of the Risk Management Committee - Audit Committee - Independent Director | 27 Apr 20 to Present (Agenda 3) |
| 7. Mrs. Smorn Terdthampiboon | - Director - Audit Committee - Independent Director | 12 Feb 21 to Present (Agenda 1) |

Ms. Pailin Sriwilai is acting as the Company Secretary.

To note, all directors have passed and have been certified the Director Accredited Program (DAP) from the Thai Institute of Directors (IOD).

- Note:**
- The Extraordinary General Meeting of Shareholders no. 6/2015 on 24th December 2015 resolved to appoint 3 additional directors, namely Mr. Pitipat Thitasirinant, Mr. Kulawachara Bhurichayawarodom and Mr. Athapon Tangkaravakoon as directors / audit committee / independent director, and Mr. Pitipat Thitasirinant acting as the Chairman of the Audit Committee. The registration date of the change of director with the Department of Business Development is effective from 14 January 2016 onward.
 - The Extraordinary General Meeting of Shareholders no. 1/2017, on 31 January 2017, resolved to appoint 2 additional directors, namely Miss Miss Duenpun Leelavivat and Mrs. Pornpun Hirunlap as directors. The appointment is effective from 1st February 2017 onwards. The registration of the change of director with the Department of Business Development was completed on 1st February 2017
 - The Extraordinary General Meeting of Shareholders no. 2/2017 on 12 June 2017 resolved to appoint 2 additional directors, namely Mr. Arkapol Leelaprachakul and Mr. Ekbordin Leelaprachakul as directors in place of the 3 former directors, namely Mr. Weerapol

Leelaprachakul, Mrs. La-or Leelaprachakul and Mrs. Wilai Leelaprachakul, effective from the date of registration of the change of director with the Department of Business Development on 28th June 2017 onwards.

4. The Board of Directors Meeting no. 1/2017 (after the Company being transformed into a public company) on 30th June 2017 resolved to appoint the Nomination and Remuneration Committee, namely Mr. Pitipat Thitasirinunt, Mrs. Pornpun Hirunlap and Mr. Tchakorn Leelaprachakul, with Mr. Pitipat Thitasirinant is the chairman.
5. The Board of Directors Meeting no. 1/2017 (after the Company being transformed into a public company) on 30th June 2017 approved the appointment of the Risk Management Committee, namely, Mr. Kulawachara Bhurichayawarodom, Mrs. Duenphun Leelavivat and Mr. Mr. Tchakorn Leelaprachakul, and the Committee is chaired by Mr. Kulawachara Bhurichayawarodom.
6. The Board of Directors Meeting No. 1/2020 on 27th February 2020 resolved to appoint an additional director, namely Mrs. Smorn Terdthampiboon. As a director Instead of one former director, namely Mr. Athapol Tangkarawakul, effective from 27th February 2020
7. Information in details on the executives appears in the section “Executives, Committee, and Secretary of Thai Mui Corporation Public Company Limited”.

Director authorized to bind the company

Mr. Tchakorn Leelaprachakul signed with Mr. Arkarapol Leelaprachakul or Mr. Ekbordin Leelaprachakul, to form the joint signature and affixed with the company's seal.

Board of Directors Meeting

Meeting attendance of the Board of Directors for the year 2019 - 2021, details as follows:

| Participants | Number of meetings / all meetings | | |
|---|-----------------------------------|------|------|
| | 2019 | 2020 | 2021 |
| 1. Mr. Tchakorn Leelaprachakul | 7/7 | 5/5 | 5/5 |
| 2. Mr. Arkarapol Leelaprachakul | 7/7 | 5/5 | 5/5 |
| 3. Mr. Ekbordin Leelaprachakul | 7/7 | 4/5 | 5/5 |
| 4. Mr. Pitipat Thitasirinant | 6/7 | 5/5 | 5/5 |
| 5. Mr. Kulawachara Bhurichayawarodom | 4/7 | 5/5 | 4/5 |
| 6. Mrs. Smorn Terdthampiboon ¹ | - | 4/4 | 4/5 |
| 7. Miss Duenpun Leelavivat | 7/7 | 5/5 | 5/5 |

Note 1. Mrs. Smorn Terdthampiboon He was appointed as a director from the Board of Directors Meeting No. 1/2020 on February 27, 2020, so the total number of meetings is not equal to the other directors.

Authority, duties, and responsibilities of the Board of Directors

The Board of Directors has the following duties and responsibilities.

1. With honesty and care, the duties and responsibilities of the Board of Directors lie in the management and the operations of the company so that they comply with laws, objectives, regulations of the Company, along with the resolution of the shareholders' meeting, for the Company's benefits.
2. The Board of Directors shall arrange a Board meeting at least once every 3 months.
3. The Board of Directors shall arrange to have, in the auditor's audited version, a balance sheet and profit and loss statement of the Company at the end of the accounting period of the Company and presented to the shareholders' meeting for consideration and approval.
4. The Board of Directors shall set goals, guidelines, policies, business plans, the Company's budget. Also, they shall monitor and supervise, manage the operation to be in accordance with the policies, plans and budgets to make the operation efficient and effective.
5. The Board of Directors shall review, appraise, evaluate, and approve policies, directions, strategies, business plans of the Company proposed by the management.
6. The Board of Directors shall continuously monitor the operation to be in accordance with the plan and budget.

7. The Board of Directors shall lead the company to have an appropriate and efficient accounting system, provide a reliable financial reporting and auditing, and provide adequate and appropriate internal control systems and internal audit systems.
8. The Board of Directors shall consider the formulation of risk management policies to cover the entire organization and supervise to manage risk under the proper process and control systems to reduce the impact on the business of the company appropriately.
9. The Board of Directors shall consider the management structure and is fully empowered to appoint sub-committees, Chief Executive Officer, and other subcommittees as appropriate, as well as determine the scope of authority of such person.

In this regard, the delegation of authority under the scope of the specified authority shall not act as an attorney that makes the sub-committee Chief Executive Officer and various committees can consider and approve any transactions that may have conflicts, interests or conflicts of interest with the Company or subsidiaries (if any) except for approval of transactions that are in accordance with the policies and criteria approved by the Board of Directors.

10. The Board of Directors shall prepare the annual report of the Board of Directors and be responsible for the preparation and the disclosure of financial statements in order to reflect the financial status and operating results of the previous year. The Board of Directors shall also present the information to the shareholders' meeting for consideration and approval.
11. The Board of Directors may authorize one or more directors or any other person to perform any act on behalf of the Board of Directors under the control of the Board of Directors or may authorize such person to act as the Board per deem appropriate and within the period of time while the Board of Directors may cancel, revoke, change or amend such authorization when appropriate.

However, the authorization must not be empowered to allow such person to consider and approve the item in which he or the person may have a conflict or the conflicts of interest in any other manner that will be made with the company or subsidiaries (if any) as defined in the Capital Market Supervisory Board announcement and / or the Stock Exchange of Thailand and / or any other announcements of relevant agencies except for approval of items that are in accordance with the policies and criteria approved by the Board of Directors.

The Audit Committee

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

| Name | Position |
|--------------------------------------|---------------------------------|
| 1. Mr. Pitipat Thitasirinant | Chairman of the Audit Committee |
| 2. Mr. Kulawachara Bhurichayawarodom | Audit Committee |
| 3. Mrs. Smorn Terdthampiboon | Audit Committee |

Note 1. Mr. Kulawachara Bhurichayawarodom is an audit committee with knowledge and experience in reviewing the reliability of financial statements.

2. Ms. Pailin Sriwilai is the secretary of the Audit Committee.

Report of the Audit Committee

1. The Audit Committee shall report the performance to the Board of Directors in the Board of Directors meeting
2. In performing the duties of the Audit Committee, if found or suspected of having the following transactions or actions Which may have a significant impact on the financial position and operating results of the Company the Audit Committee shall report to the Board of Directors of the Company. In order to proceed with rectification within the time that the Audit Committee deems appropriate

- (1) List of conflicts of interest
- (2) Corruption or irregularities or any significant defects in the internal control system
- (3) Violation of the law or any requirements of the Stock Exchange of Thailand and other related laws

In case the Audit Committee has reported to the Board of Directors on the significant impact regarding the financial status and operating results and have discussed together with the Board of Directors and the management that they must continue to improve at the end of the specified time, if the Audit Committee finds that there is no reason to ignore such action, any audit committee member may report such findings directly to the Securities and Exchange Commission and the Stock Exchange of Thailand

Audit Committee Meeting

Attendance of the Audit Committee meeting for the year 2019 - 2021, details as follows

| Participants | Number of meetings / all meetings | | |
|---|-----------------------------------|------|------|
| | 2019 | 2020 | 2021 |
| 1. Mr. Pitipat Thitasirinant | 4/4 | 5/5 | 4/4 |
| 2. Mr. Kulawachara Bhurichayawarodom | 3/4 | 5/5 | 4/4 |
| 3. Mrs. Smorn Terdthampiboon ¹ | - | 4/4 | 4/4 |

Note: 1. Mrs. Smorn Terdthampiboon He was appointed as a director from the Board of Directors Meeting No. 1/2020 on 27 February 2020, so the total number of meetings is not equal to the other directors.

Authority, duties and responsibilities of the Audit Committee

1. to review the company's accurate and adequate financial reports
2. To review the company's appropriate and effective internal control system and internal audit system. And consider the independence of the internal audit unit as well as approving the appointment, transfer and dismissal of the head of the internal audit department or any other agency responsible for internal audit.
3. To review the company to comply with the Securities and Exchange Act, Stock market requirements and laws related to the business of the company.
4. To consider, select and propose the appointment of an independent person to act as the Company's auditor and to offer compensation for such person including attending meetings with auditors with no management team attending the meeting at least 1 time per year
5. To consider the connected transactions or transactions that may have conflicts of interest to comply with the laws and regulations of the Stock Exchange of Thailand in order to ensure that such transactions are reasonable and for the best benefit of the Company
6. To consider the connected transactions or transactions that may have conflicts of interest to be in accordance with the laws and regulations of the Stock Exchange of Thailand in order to ensure that such transactions are reasonable and for the best benefit of the Company. To prepare the report of the Audit Committee disclosed in the annual report of the company which the report must be signed by the Chairman of the Audit Committee And must contain at least the following information
 - (A) Opinions on the accuracy, completeness and reliability of the Company's financial reports
 - (B) Opinions on the adequacy of the Company's internal control system
 - (C) Opinions on compliance with the Securities and Exchange Act Stock market requirements or laws related to the business of the company
 - (D) Opinions about the suitability of the auditor
 - (E) Opinions on transactions that may have conflicts of interest
 - (F) Number of Audit Committee meetings and the attendance of each member of the Audit Committee

(G) The overall opinion or observation that the Audit Committee received from performing duties in accordance with the Charter

(H) Other items that shareholders and general investors should know under the scope of duties and responsibilities assigned by the Board of Directors

7. To perform any other tasks as the Board of Directors of the Company assigned with approval from the Audit Committee

Nomination and Remuneration Committee

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

| Name | Position |
|--------------------------------|---|
| 1. Mr. Pitipat Thitasirinant | Chairman of the Nomination and Remuneration Committee |
| 2. Mr. Tchakorn Leelaprachakul | Nomination and Remuneration Committee |
| 3. Miss Duenpun Leelavivat | Nomination and Remuneration Committee |

Nomination and Remuneration Committee Meeting

Meeting attendance of the Nomination and Remuneration Committee for the year 2019 - 2021, details as follows

| Participants | Number of meetings / all meetings | | |
|--------------------------------|-----------------------------------|------|------|
| | 2019 | 2020 | 2021 |
| 1. Mr. Pitipat Thitasirinant | 1/1 | 1/1 | 1/1 |
| 2. Mr. Tchakorn Leelaprachakul | 1/1 | 1/1 | 1/1 |
| 3. Miss Duenpun Leelavivat | 1/1 | 1/1 | - |

Authority, duties and responsibilities of the Nomination and Remuneration Committee

1. Suggest the structure, size and composition of the Board of Directors and various sub-committees as well as prescribe the rules and policies and guidelines for the nomination of candidates for directors and various sub-committees.
2. Recruit candidates with appropriate qualifications and in accordance with the law and the Company's policy and consider the selected candidates to be appointed as directors, sub-committee, and Chief Executive Officer to be presented to the Board of Directors meeting and / or the shareholders' meeting in the event of a vacancy.
3. Consider the remuneration policies, both monetary and non-monetary, for the Board, sub-committee, and Chief Executive Officer to be appropriate by taking into account the operating results of the Company and the compensation of other companies in the same industry to be presented to the Board of Directors and / or the shareholders' meeting of the Company for further approval.
4. Give opinions in case of the Company offers newly issued securities for sale of to directors, executives or employees of the Company.
5. Perform other tasks as assigned by the Board of Directors.

Risk Management Committee

As of 31st December 2021, the Risk Management Committee consists of 3 members as follows:

| Name | Position |
|--------------------------------------|---|
| 1. Mr. Kulawachara Bhurichayawarodom | Chairman of the Risk Management Committee |
| 2. Mr. Tchakorn Leelaprachakul | Risk Management Committee |
| 3. Miss Duenpun Leelavivat | Risk Management Committee |

Risk Management Committee Meeting

For the attendance of the Risk Management Committee meeting for the year 2019 - 2021, details as follows.

| Participants | Number of meetings / all meetings | | |
|--------------------------------------|-----------------------------------|------|------|
| | 2019 | 2020 | 2021 |
| 1. Mr. Kulawachara Bhurichayawarodom | - | - | - |
| 2. Mr. Tchakorn Leelaprachakul | - | - | - |
| 3. Miss Duenpun Leelavivat | - | - | - |

Note In 2017 - 2019, the Company had not yet held a meeting of the Risk Management Committee.

Authority, duties and responsibilities of the Risk Management Committee

1. Establish risk management policies, the level of acceptable risk (Risk Appetite), and the highest risk level that the organization will accept (Risk Tolerance) and present the risk management policies to the Board of Directors for approval. The policies must cover various types of risks both external and internal ones.
2. Formulate strategies and action plans for risk management in accordance with the risk management policy. Also, assess possible threat, monitor the amount of risk, and manage major risks of the Company to be at the acceptable level previously determined by the organization.
3. Control, monitor, examine, evaluate risks. Manage and supervise so that the Company complies with the risk management policy, set by the Company and the rules set by the supervisor.
4. Review the risk management report and proceed to ensure that the organization has appropriate risk management, adequate policy, and risk management systems that are effective and complying with the risk management guidelines.
5. Consider improvement and comment on various policies, plans and risk management processes, then propose to the Board of Directors for approval.
6. Report the risk status of the Company, completed with guidelines for improvement, and the results of operations to the Board of Directors every quarter.
7. Perform other duties as assigned by the Board of Directors from time to time.

Executive Committee

As of 31st December 2021, the Executive Committee consists of 3 members as follows:

| Name | Position |
|----------------------------------|-------------------------|
| 1. Mr. Tchakorn Leelaprachakul | Chief Executive Officer |
| 2. Mrs. Sarinrath Leelaprachakul | Executive Director |
| 3. Mrs. Sunee Jantarotorn | Executive Director |

In addition, from January 2017 - August 2017, the Company hired 2 consultants, namely Mrs. La-or Leelaprachakul as a business consultant and Mrs. Wilai Pinkiangkrai as a financial and accounting consultant. However, since September 2017 onwards, the Company has terminated the employment of both consultants. From July 2017 - December 2021, the Company appointed Mr. Weerapol Leelaprachakul to be the Strategic Business and Marketing Consultant to provide advice on strategy formulation, expansion of potential markets, help build good relationships with regular and existing customers, and help coordinate with the manufacturers. In this regard, the consultant has also given advice on the quality of production of the manufacturer, and etc. During the time of employment, the said advisor did not participate in the management or attend meetings in various committees of the Company in any way. For this transaction, it is declared in the section of Related Party Transactions.

Executive Committee Meeting

The details on meeting attendance of the Executive Committee for the year 2019 - 2021 are as follows.

| Participants | Number of meetings / all meetings | | |
|----------------------------------|-----------------------------------|------|------|
| | 2019 | 2020 | 2021 |
| 1. Mr. Tchakorn Leelaprachakul | 2/2 | - | - |
| 2. Mrs. Sarinrath Leelaprachakul | 2/2 | - | - |
| 3. Mrs. Sunee Jantarotorn | 2/2 | - | - |

Note In 2020-2021, the Company has not held a meeting of the Executive Committee.

Authority, duties, and responsibilities of the Executive Committee

1. Consider the management's proposal and present the goals, policies and business plans, and the Company's annual budget to the Board of Directors for approval.
2. Control, supervise, and monitor the Company's performance to be in keeping with the policies, goals, business plans, business strategies, the budget, and various executive powers as earlier approved by the Board of Directors.
3. Consider and approve the normal business transactions of the Company, with the credit line for each transaction to be in keeping with the pre-approved signature authority table earlier approved by the Board of Directors.
4. Consider and approve investment; determine the investment budget according to the signature authority table approved by the Board of Directors.
5. Consider new business operations or the termination of any business of the Company to be presented to the Board of Directors meeting.
6. Present the organization structure that is suitable for the operation of the Company to the Board of Directors for approval.
7. Consider and approve the budget for salary increase or annual salary adjustment and annual payouts (bonuses) for the Company's and its subsidiaries' all employees but the CEO.
8. Authorize one person or several persons to perform any action, under the control of the Executive Committee or authorize such person to have the level of authority and within the time as the Executive Committee deems appropriate. The Executive Committee may cancel, revoke, change or amend the authorized person or that authorization as appropriate.
9. From time to time, perform other duties as assigned by the Board of Directors.

Nevertheless, the authorized delegation of the Executive Committee shall not act as an attorney or approve the transaction that he or the person may have conflicts of interest (according to the definition of the Capital Market Supervisory Board and / or the Stock Exchange of Thailand and / or the relevant agencies to determine) or may have any conflict of interest with the Company or its subsidiaries and / or related companies. The Executive Committee does not have the authority to approve such actions. The matter must be proposed to the Board of Directors and / or the shareholders' meeting for prior approval. Except for approval of transactions that are in accordance with normal business and normal trading conditions which are in accordance with the notifications of the Capital Market Supervisory Board and / or the Stock Exchange of Thailand and / or related agencies.

Management

As of 31st December 2021, the Company has 11 executives as follows:

| Name | Position |
|----------------------------------|--|
| 1. Mr. Tchakorn Leelaprachakul | Chief Executive Officer |
| 2. Mrs. Sarinrath Leelaprachakul | Chief Financial Officer |
| 3. Mrs. Sunee Jantarotorn | Chief Operation Officer |
| 4. Mr. Arkarapol Leelaprachakul | Vice President of Bangkok Sales and Marketing Department |
| 5. Ms. Narida Leelaprachakul | Vice President of Finance Department |
| 6. Mr. Roengsak Kaewsart-art | Vice President of Sattahip Sales Department |
| 7. Mr. Thanapong Sakulpipat | Vice President of Purchasing Department |
| 8. Mr. Ekborderin Leelaprachakul | Assistance Vice President of Special Product Sales |
| 9. Mr. Krid Leelaprachakul | Assistance Vice President of Marketing and Information |
| 10. Mrs. Wanna KijSomwang | Sale Showroom Department |
| 11. Mr. Amnat Muangcharoen | Factory manager |

Note: Mrs. Sunee Jantarotorn is assigned to prepare the account for the Company.

Mr. Tchakorn Leelaprachakul as Chief Executive Officer and Mrs. Sarinrath Leelaprachakul as Chief Financial Officer are having a relationship as a husband and wife. This may cause risks on transparency in business operations. However, in approving the entering into various transactions of the Company, the authority and the limited scope of approval of the Chief Executive Officer and the Chief Financial Officer has been defined in various matters as appropriate. For the transaction with highest monetary amount or value, every item must be considered and approved by the Executive Committee and / or the Board of Directors. In addition, the Chief Financial Officer has not been granted the authority to approve the purchase of goods, services, raw materials for production to sell or service to customers in any way. Likewise, the Chief Financial Officer is not designated as a person authorized to sign with the bank. Therefore, the Audit Committee is of the opinion that the Company has already provided an adequate internal control system or measures to prevent such risks.

Authority, duties and responsibilities of the Chief Executive Officer

1. Control the operation and / or daily management of the Company.
2. Prepare policies, business plans, business strategies, and the annual budget of the Company to propose to the Executive Committee and the Board of Directors of the Company for further approval.
3. Supervise the operation of the Company to be in accordance with policies, plans and budgets earlier approved by the Board of Directors including checking, monitoring and evaluating the performance of the Company to fulfill the specified policies. Dutifully report management performance such as operation progress to the Executive Committee, the Audit Committee and the Board of Directors.
4. Consider and approve the operations that are normal business transactions of the Company, as identified by the investment budget approved by the Board of Directors. The credit line for each transaction is as specified in the signature authority table approved by the Board of Directors. Yet, the amount should not exceed the annual budget approved by the Board of Directors.
5. Consider and approve spending in the normal business operations of the Company. According to the budget pre-approved by the Board of Directors and according to the authority approved by the Board of Directors
6. Approve manpower rates, employment, staffing, determination of wages, compensation and bonuses and appointment, transfer of employees; Consider duties and responsibilities of each unit and position, for every position under the department director.
7. Issue orders, regulations, announcements and memorandums for effective operations as identified in the Company's policy, including maintaining discipline within the organization.

8. Coordinate with the Head of the Internal Audit and the Internal Audit Committee to ensure that the business operations and risk management of the Company are in accordance with the objectives, policies, regulations, and good governance of the Company.
9. For the benefit and efficiency of good and transparent management, appoint committees or working groups; authorize one person or several persons to perform any action under the control of the Chief Executive Officer or may authorize such person to have the authority and within the period of time as the Chief Executive Officer deems appropriate. The Chief Executive Officer may cancel, revoke, change or amend the authorized person or that authorization as appropriate.
10. Perform other duties as assigned by the Executive Committee or the Board of Directors.

Nevertheless, the authorized delegation of the Executive Committee shall not have the power of attorney or approve the transaction that he or the person may have conflicts of interest (according to the definition of the Capital Market Supervisory Board and / or the Stock Exchange of Thailand and / or the relevant agencies to determine) or may have any conflict of interest with the Company or its subsidiaries and / or related companies. The Executive Committee does not have the authority to approve such actions. The matter must be proposed to the Board of Directors and / or the shareholders' meeting for (depending on the case) prior approval. Except for approval of transactions that are in accordance with normal business and normal trading conditions which are in accordance with the notifications of the Capital Market Supervisory Board and / or the Stock Exchange of Thailand and / or related agencies.

Company Secretary

The Board of Directors Meeting No. 2/21, held on May 11, 2021, resolved to appoint Ms. Pailin Sriwilai as company secretary to replace Mrs. Sunee Jantarotorn. According to the provisions of Section 89/15 of the Public Company Act BE 2535. The Secretary shall work with responsibility, carefulness, honesty, and law compliance in keeping with the objectives, regulations of the Company, resolutions of the Board of Directors Meeting and the shareholders' meeting. The roles, duties and responsibilities are the following.

The Company Secretary must perform duties with responsibility, carefulness and honesty according to the Securities and Exchange Act (no. 4) BE 2551 which has especially defined roles, duties and responsibilities for the Company Secretary as follows:

- 1) Prepare and maintain the following documents:
 - (A) Registration of directors,
 - (B) Notice of the Board of Directors Meeting, meeting minutes, and the annual report of the Company
 - (C) Notice of shareholders meeting and meeting minutes.
- 2) Maintain the Stakeholder Report or Related Party Transaction Report, reported by the director or executive.
- 3) Submit a copy of Stakeholder Report or Related Party Transaction Report according to the Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days from the date that the Company received the report. The Company must provide a document storage system with any evidence related to information displayed to be the correct, complete and valid. Supervise and archive the document to keep within a period of not less than 10 years from the date that such documents or information are prepared.
- 4) Perform other activities as specified by the Capital Market Supervisory Board.

Recruitment and Appointment of Directors and Senior Management

1) Director

The Nomination and Remuneration Committee will consider the nomination of the Board of Directors by qualifications and propose to the Board of Directors 'meeting and / or the shareholders' meeting in which the election of the Company's directors shall be made and approved. The criteria for the selection are the following:

1. Each shareholder has votes equal to 1 share per 1 vote.
2. In the election of directors, the voting method may be used to elect one or several directors at a time depending on what the shareholders' meeting sees suitable. However, each shareholder cannot divide their votes in the election of directors.
3. The person receiving the highest score in descending order will be elected as a director equal to the number of directors that should be or should be elected at that time. In the event that there are more than one person elected with equal votes for the particular order, in excess of the number of directors to be elected or elected at that time, the director shall be chosen by casting lot.
4. In accordance with the company's regulations, the Board of Directors is responsible for the term of office of directors. For example, at every annual general meeting of shareholders, one-third (1/3) of the number of directors shall retire from office at that time. If the number of directors cannot be divided into exactly three parts, the number should be the number closest to one third (1/3) of the directors. Those who vacate office may be chosen to return to the position again.
5. In addition to vacating office at the end of the term, Directors vacate office when he or she
 - (A) dies;
 - (B) resigns;
 - (C) lacks the qualifications and develops prohibiting characteristics under the law on public companies or securities and exchange laws;
 - (D) is expired before the end of term by the resolution issued by the shareholders' meeting, with a vote of not less than three-fourths (3/4) of the number of shareholders attending the meeting and having a total of not less than half of the shares held by the shareholders attending the meeting and having voting rights; or
 - (E) is ordered by the court.
6. Any director who will resign from the position shall submit a resignation letter to the Company. The resignation will be effective from the date the resignation letter reaches the Company.
7. The director who resigns under the first paragraph of number 6 may also notify his resignation to the registrar.
8. In the event that the position of the director is vacant due to reasons other than the expiration of the term, the Committee may choose the person with the qualifications and with no prohibited characteristics under the law on public limited companies or securities and exchange laws to become a director in the next board meeting unless the term of that director is less than two (2) months. The person who is appointed as the replacement director will be in the position for the remaining term of the expiring director. The resolution of the committee under the first paragraph shall consist of votes of not less than three-fourths (3/4) of the remaining directors.

2) Independent Director

The Nomination and Remuneration Committee will consider the qualifications and nomination, according to the Securities and Exchange Act, notifications of the Securities and Exchange and Commission Capital Market Board, other announcements, regulations and related regulations, of independent directors and present to the Board of Directors for

approval. The number of independent directors must be at least one-third of the total number of directors and not less than 3 persons.

Qualifications of Independent Directors are as follows:

1. Holding shares not more than 1 percent of the total voting rights of the Company including that of parent company, subsidiary company, associated company, major shareholder or the person having control power of the company, as well as counting that of the related person of that independent director.
2. Not being or used to be a Director who is involved in the management of work, employees, consultants who receive regular salary or controlling person of the company, parent company, subsidiary company, associated company, same-level subsidiary, related to that of major shareholder or of the controlling person of the company unless he has been terminated for not less than 2 years prior to the date of being appointed as an independent director. However, this restriction is not applied to a consultant of government agencies which are major shareholders or the controlling person of the Company.
3. Not having a blood relationship with or by legal registration in the form of father, mother, spouse, sibling, and child, including spouse of the children of other directors, executives, major shareholders, controlling person or the person who will be nominated as a director, executives or authorized persons of the Company or its subsidiary.
4. Not having a business relationship with the Company, parent company, subsidiary company, associate company or being major shareholder or the controlling person of the Company in a manner that may interfere with his independent judgment. Not being or having been a significant shareholder, the controlling person, or having had business relationship with the Company, parent company, subsidiary company, associate company, major shareholder or the controlling person of the Company unless he/she has been terminated for not less than 2 years before the date of appointment as an independent director.
5. Not having any business relationship including making commercial transactions both normal business operations such as renting or renting real estate, assets or services and giving or receiving financial assistance by accepting or lending loans, guaranteeing assets as collateral for liabilities or other similar circumstances resulting in the Company or the counterparty has a debt obligation of more than 3% of the net tangible assets of the Company or from 20 million baht or more. However, the calculation of such debt burden shall be in accordance with the method of calculating the value of related party transactions in accordance with the Notification of the Capital Market Supervisory Board Re: Rules on Related Party Transactions mutatis mutandis. However, the calculation of debt burden takes into account the amount of debt incurred during 1 year before the date of such business relationship.
6. Not being or having been an auditor of the Company, parent company, subsidiary company, associate company, major shareholder or the controlling person of the company and not being a significant shareholder controlling person or partner of the audit office which has the auditor of the company, the parent company, subsidiary company, associate company, major shareholder or the controlling person of the Company under the jurisdiction of the Company, unless he has been terminated for not less than 2 years before the date of appointment as an independent director.
7. Not being or having been a professional service provider as a legal advisor or financial advisor with the service fees in excess of 2 million baht per year from the Company, its parent company, subsidiary company, associated company, major shareholder or the controlling person of the Company. Not being a significant shareholder, controlling person or a partner of that professional service provider unless he/she has been terminated for not less than 2 years before the date of appointment as an independent director.

8. Not being a director appointed as a representative of the Company's directors, major shareholder, or shareholders who are related to major shareholders.
9. Not operating a business that has the same conditions and is a significant competition with the business of the Company or its subsidiary. Neither being a significant partner in limited partnership nor being a director who is involved in the management of employees, is an employee, a consultant who receive regular salary or is holding more than 1% of the total voting rights of other companies which operate a business that has the same conditions and is a significant competition with the business of the Company or its subsidiary.
10. There is no other condition that makes it impossible to give independent opinions about the operations of the Company.

3) Audit Committee

The Nomination and Remuneration Committee will consider qualifications and the nomination of the Audit Committee and propose to the Board of Directors for approval. The details of the Audit Committee are as the following:

1. The Audit Committee consists of at least 3 independent directors.
2. The Audit Committee has the skills and expertise suitable to the assigned mission. At least 1 audit committee member must have knowledge, understanding or experience in accounting or finance.
3. The Board of Directors of the Company selects and appoints one Audit Committee member to be the Chairman of the Audit Committee.

Qualifications of Members of the Audit Committee are as follows:

1. Be appointed by the Board of Directors of the Company;
2. Have qualifications as specified in the public law, Securities and Exchange Act and SET regulations;
3. At least 1 member of the Audit Committee must be knowledgeable in accounting and finance.
4. Audit Committee members must be independent directors and possess the qualifications as independent directors as follows:
 - 1) Holding shares not more than 1% of the total number of shares with voting rights of the Company, parent company, subsidiary company, associated company, major shareholder or the controlling person of the company, including the shareholding of the related person of that independent director;
 - 2) Not being a director who is involved in the management of work, is an employee, a consultant who receives regular salary or is the controlling person of the Company, parent company, subsidiary company, associated company, same-level subsidiary, major shareholder, or of the controlling person of the Company unless he/she has been terminated for not less than 2 years before being appointed to be an independent director. However, this restriction is not applied to a consultant of government agencies which are major shareholders or the controlling person of the Company.
 - 3) Not having a blood relationship with or by legal registration in the form of father, mother, spouse, sibling, and child, including spouse of the children of other directors, executives, major shareholders, controlling person or the person who will be nominated as a director, executives or authorized persons of the Company or its subsidiary.
 - 4) Not having or having a business relationship with the Company, parent company, subsidiary company, associate company, major shareholder or the controlling person of the Company in a manner that may interfere with his independent judgment. Not being or having been a significant shareholder or the controlling person who has business relationship with the company, parent company, subsidiary company, associate company, major shareholder or the controlling person of the Company unless he/she has been

terminated from the aforementioned position for at least 2 years before being appointed as an independent director.

- 5) Not being an auditor of the Company, parent company, subsidiary company, associate company, major shareholder or the controlling person of the Company and not being a significant shareholder, controlling person or partner of the audit office where there is no auditor of the Company, the parent company, subsidiary company, associate company, major shareholder or the controlling person working unless he/she has been terminated for not less than 2 years before being appointed as an independent director.
- 6) Not being or having been a professional service provider as a legal advisor or financial advisor with the service fees in excess of 2 million baht per year from the Company, its parent company, subsidiary company, associated company, major shareholder or the controlling person of the Company. Not being a significant shareholder, controlling person or a partner of that professional service provider unless he/she has been terminated for not less than 2 years before the date of appointment as an independent director.
- 7) Not being a director appointed as a representative of the Company's directors, major shareholder, or shareholders who are related to major shareholders.
- 8) Not operating a business that has the same conditions and is a significant competition with the business of the Company or its subsidiary. Neither being a significant partner in limited partnership nor being a director who is involved in the management of employees, is an employee, a consultant who receive regular salary or is holding more than 1% of the total voting rights of other companies which operate a business that has the same conditions and is a significant competition with the business of the Company or its subsidiary.
- 9) Not having any other characteristics that prevent him or her from giving independent opinions regarding the Company's operations. Being able to independently perform duties and express opinions or report the performance in accordance with the duties assigned without being under the control of the management, major shareholders of the Company including those involved or close relatives of such candidate,
5. Being a person who is generally acknowledged and accepted.
6. Be able to devote sufficient time to perform the duties of the Audit Committee.

The term of the Audit Committee is as follows:

1. The Audit Committee shall hold office for a term of 3 years.
2. In addition to the retirement of the above term, the Audit Committee vacates office upon
 - (A) death,
 - (B) resignation,
 - (C) lack of qualifications for being an audit committee according to this charter or the rules of the Stock Exchange of Thailand, and
 - (D) termination of the director position of the Company
3. Any member of the Audit Committee who would like to resign from the position shall submit a resignation letter to the Chairman of the Board of Directors, in writing at least 1 month in advance, together with the reasons and for the Board of Directors to approve. Then, the Company shall notify the Stock Exchange of Thailand of the resignation coupled with the copy of resignation. In the case that the entire Audit Committee vacates the office at the same time, it is required for that committee to maintain in the position until the new Audit Committee takes office.
4. In the event that the position of the Audit Committee is vacated for other reasons than the expiration of the term, the Board of Directors shall appoint a qualified person to be a member of the Audit Committee within 90 days for the audit committee to have the number as specified by the Board of Directors. The person who

is appointed as an audit committee member is in the position only for the remaining term of the member whom he/she replaces.

4) Executive Directors

The Nomination and Remuneration Committee will consider qualifications and the nomination of executive directors and present to the Board of Directors for approval. The Executive Committee is responsible for considering various matters before presenting to the Board of Directors, managing the business in accordance with the policies, plans and goals set, and monitoring the implementation of various policies and guidelines for the management of the Company to be effective.

5) Risk Management Committee

The Nomination and Remuneration Committee will consider qualifications and the nomination of the Risk Management Committee and present to the Board of Directors for approval. The Risk Management Committee is responsible for determining the policy, the overall risk management structure, and guidelines for corporate risk management, including for regularly reporting risk management results to the Board of Directors.

6) High level executives

The Nomination and Remuneration Committee will consider the qualifications and the recruitment of Chief Executive Officer to ensure that the candidate is appropriate, knowledgeable, competent and has skills and experience that are beneficial to the operation of the Company. Then, the nomination is proposed to the Board of Directors for approval. For other senior-level executives, the qualifications will be considered by the Chief Executive Officer.

Supervision of the Use of Internal Information

The Company has a policy for the acceptable use of internal information and monitors the use of such information by directors, executives and employees (including unmarried spouses) who are aware of the Company's information, with the following details.

1. Educate directors, executives, particularly those in accounting or finance positions, department managers or higher or equivalent, regarding the duty to prepare and submit reports of their securities holdings, their spouses', and their underage children's to the Securities and Exchange Commission under Section 59 and penalties under Section 275 of the Securities and Exchange Act BE 2535.
2. Request the directors and executives, particularly those in accounting or finance positions, department managers or higher or equivalent, to prepare and submit reports of their securities holdings, their spouses', and their underage children's (Form 59-1) to be passed to the Secretary of the Company prior to submitting to the Office of the Securities and Exchange Commission every time within 30 days from the date of being appointed as an executive director. Request the executive director to report of changes in securities holdings (Form 59-2) within 3 working days from the date of purchase, sale, transfer or acceptance of such securities transfers.
3. Request the directors and executives, particularly those in accounting or finance positions, department managers or higher or equivalent and related workers who learn of important inside information which may affect the price change of securities, to suspend trading of the Company's securities in the period before the public publishing and disclosure of the financial statements or the financial status of the Company. The Company will inform in writing the directors and executives as well as those holding executive positions in the accounting or finance field who are department managers or higher or equivalent to stop trading the Company's securities for at least 30 days in advance before the public disclosure of the information and to wait at least 24 hours after the disclosure to the public. They are also prohibited to disclose any important information to other people.

4. Determine disciplinary action if there is a violation of the use of internal information for personal gain, starting from written warnings, a cut on salary, temporary suspension of work without receiving wages, or to leave the job. The punishment is determined by the intent of the action and the seriousness of the offense.

Commission Payment to Third Parties

In order to promote the sale and expansion of the Company's product sales, the company therefore allows the incentives for and the payment of referral fees to third parties who can recommend customers to the Company in return. However, in order to achieve transparency in business operations, the Company has control over the payment of referral fees to third parties through the preparation of a history of payment of job referral, a record of the recipient's history, the recommended work, and a contract for a job advisory service to the Company. The important details of the policy regarding commission payment for job recommendations are as follows.

1. The commission fees and payment is to be approved by the Chief Executive Officer Executive, the Executive Committee, and the Board of Directors, considering primarily the amount of sales.
 - a. In the case that the sales amount is not more than 5.00 million baht, the recommendation fee will not be more than 10.00% from the sales amount and must be considered and approved by the Chief Executive Officer.
 - b. In the case that the sales amount is not more than 10.00 million baht, the payment of recommendation fees will be from 10.00% or more but not more than 20.00% from the sales and it must be approved by the Executive Committee.
 - c. In the event that the sales amount is more than 10.00 million baht or the payment of the recommendation fee is more than from 20.00 percent or more from the value of the sales, the commission payment must be considered by the Board of Directors.
2. The commission payment will be paid to the referrer when the Company has already received the payment.
3. The Company will pay the recommendation fee in baht. If trading in foreign currency, the calculation of commission is to use the exchange rate of the government on the day the Company receives payment from customers.
4. The Board of Directors, Chief Executive Officer, Advisors and Company employees are not eligible to receive any referral or commission fees.
5. In the event that the Chief Executive Officer consider other fees for referral or advice service other than those specified in this policy, the payment is to be presented to the Board of Directors for approval on a case-by-case basis.

Management

In the year 2019 - 2021, the Company paid monetary compensation to executives with the following details.

| Executive remuneration | 2019 | | 2020 | | 2021 | |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Number (Individual) | Remuneration (Baht) | Number (Individual) | Remuneration (Baht) | Number (Individual) | Remuneration (Baht) |
| Salary and bonus ¹ | 11 | 13.09 | 11 | 12.88 | 11 | 12.93 |
| Other ² | 11 | 5.31 | 11 | 6.71 | 11 | 4.79 |
| Total | | 18.40 | | 19.59 | | 17.72 |

- Note:** 1. The Company pays the monetary compensation to the executives in the bonus section twice a year, divided into the 1st time during the Chinese New Year and the 2nd time before the Songkran festival every year.
2. Other remunerations, for example, include vehicle fees, medical expenses, position money.

The Company has hired Mr. Weerapol Leelaprachakul as a business and marketing strategic advisor since July 2017, with an agreement between 6th September 2017 to provide advice on determining the investment strategy to expand the market and to build good relationships with regular customers and existing customers of the Company. The Company pays

remuneration to the consultants monthly, at the rate of 150,000 baht per month with other benefits such as medical expenses which can be withdrawn according to the actual cost but not more than 6 times of the monthly advisory fee or not more than 900,000 baht per year. For the renewal of the consultancy contract of Mr. Weerapol, the Company will get the foremost importance to the benefits the Company and will get the Audit Committee to consider and comment on such transactions, ensuring if such transaction is in line with the policies and procedures of related party transactions between the Company and individuals or juristic persons that may have conflicts of interest. Then, the renewal is to be proposed to the Board of Directors meeting for further approval.

Number of personnel

As of 31st December 2021, the Company had a total of 176 employees (excluding 11 executives) divided into 156 regular employees and 20 daily employees.

Table showing details of the number of employees in each line from 2018 – 2020

| Division | staff Number as of 31 st December 2019 | | staff Number as of 31 st December 2020 | | staff Number as of 31 st December 2021 | |
|--|--|-----------|--|-----------|--|-----------|
| | Full-time (Monthly) | Daily | Full-time (Monthly) | Daily | Full-time (Monthly) | Daily |
| 1. Accounting Department | 10 | - | 10 | - | 9 | - |
| 2. Receivable Finance Department | 9 | - | 7 | - | 6 | - |
| 3. Finance Department | 4 | - | 4 | - | 4 | - |
| 4. Bangkok Sales Department | 7 | - | 7 | - | 7 | - |
| 5. Information Department | 2 | - | 2 | - | 2 | - |
| 6. Store sales department | 11 | - | 11 | - | 11 | - |
| 7. Sattahip Sales Department | 44 | 6 | 46 | 3 | 49 | 7 |
| 8. Purchasing Department | 5 | - | 5 | - | 3 | - |
| 9. Human Resources Department | 3 | - | 3 | - | 3 | - |
| 10. Department of Welfare and Administration | 11 | 3 | 12 | 2 | 13 | - |
| 11. Store front department | 5 | 2 | 5 | - | 5 | - |
| 12. Production and warehouse department | 16 | 17 | 20 | 10 | 23 | 12 |
| 13. Quality Control Department | 10 | - | 10 | - | 10 | - |
| 14. Samrong Shipping Department | 11 | 2 | 10 | 1 | 10 | 1 |
| 15. Marketing Department | 1 | - | - | - | - | - |
| 16. Special sales department | 1 | - | - | - | - | - |
| 17. Security | 1 | - | 1 | - | - | - |
| Total | 151 | 30 | 153 | 16 | 156 | 20 |

Employee Compensation

The Company has paid compensation to employees (Excluding 11 executives) in various ways, including salary, bonus, provident fund contribution, and contributions to the social security fund, as the following details.

Table showing remuneration for employee compensation for 2019 - 2021

| Employee compensation (Baht) | 2019 | 2020 | 2021 |
|------------------------------|--------------|--------------|--------------|
| Salary and bonus | 39.16 | 40.57 | 39.96 |
| Other | 14.30 | 17.15 | 14.39 |
| Total | 53.46 | 57.72 | 54.35 |

Remark: Other remunerations are, for instance, social security fund contribution, overtime pay, allowance, position money and diligent premiums.

Provident Fund

The Company has established a provident fund under the management of TISCO Asset Management Company Limited as a fund management company, according to the Provident Fund Act BE 2530 (including amendments) on 1st March 2016.

Significant changes in the number of employees over the past 3 years

-none-

Significant labor disputes over the past 3 years

-none-

Personnel development policy of the Company

The Company has a policy to enhance knowledge and develop the potential of employees' performance by organizing training within the Company and sending staff to train outside the Company with various agencies to promote skills, knowledge, and ability of employees.

Auditor's Remuneration

The Company paid compensation for the auditing of financial statements for the year 2019 to DIA International Company Limited and financial statements for the year 2020 - 2021 to EY Office Company Limited, details as follows:

| Audit fee | 2019 | 2020 | 2021 |
|---------------------|------------------------|------------------------|------|
| Compensation (Baht) | 1,440,000 ² | 2,200,000 ³ | |

Note:

1. The Annual General Meeting of Shareholders for the year 2019, held on 29th April 2019, resolved to approve the appointment of the auditors of DIA International Company Limited and the audit fee of 1,440,000 baht.
2. The Annual General Meeting of Shareholders for the year 2020, held on 27th April 2020 resolved to approve the appointment of the auditors of EY Office Company Limited and the audit fee of 2,200,000 baht.
3. The Annual General Meeting of Shareholders for the year 2021, held on 12nd April 2021 resolved to approve the appointment of the auditors of EY Office Company Limited and the audit fee of 2,200,000 baht.



Report on key performance in corporate governance

8. Report on key performance in corporate governance

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

The Board of Directors regularly reviews the corporate governance policy. have been considered Review the vision, mission, and strategy to be consistent with the company's business operations. as well as to increase the efficiency of the supervision of the adequacy of the internal control system of the company Adaptation under the changes affected by the epidemic of the Coronavirus 2019 (COVID-19), which the Board of Directors agrees to cover and keep up with the development of corporate governance that has changed according to the principles of good corporate governance

Meeting attendance and payment of directors' remuneration

1) Meeting attendance of the Board of Directors

The Company has established the criteria for meeting of the Board of Directors as follows:

1.1) The Board of Directors must hold a meeting to acknowledge the Company's operating results at least every 3 months and at least 6 times a year. and use independent discretion Directors should attend every meeting. In addition to force majeure which must be notified to the Secretary of the Board of Directors in advance The company must report the number of meetings of the Board of Directors in the annual report. The secretary of the Board of Directors must send a meeting invitation letter to all directors. to know Date, time, venue, and agenda It will be delivered at least 7 days in advance and will collect the meeting documents from the directors. and management to deliver to the committee in advance and such documents must provide sufficient information for the Board's independent decision-making and discretion. The committee secretary must record the issues in the meeting. to prepare the minutes of the meeting, which must contain complete contents and completed within 15 days from the date of completion of the meeting to propose to the Chairman of the Board of Directors to sign and must provide a good storage system Easy to find and keep secrets well.

1.2) Directors who have interests in any matter There is no right to vote on that matter.

1.3) Voting at the Board of Directors Meeting to consider the opinion that is the majority vote as important in case of equal votes, the chairman of the meeting shall have one more vote as the casting vote. that did not pass a resolution to be stated in the minutes of the meeting

Meeting attendance schedule of the Board of Directors and sub-committees of the Company in 2021

| List of directors | Director | Audit Committee | Nomination and Remuneration Committee |
|---|----------|-----------------|---------------------------------------|
| 1. Mr. Pitipat Thitasirinant ¹ | 5/5 | 4/4 | 2/2 |
| 2. Mr. Kulawachara Bhurichayawarodom | 4/5 | 4/4 | - |
| 3. Mrs. Smorn Terdthampiboon | 4/5 | 4/4 | - |
| 4. Miss Duenpun Leelavivat | 5/5 | - | 0/0 |
| 5. Mr. Tchakorn Leelaprachakul | 5/5 | - | 2/2 |
| 6. Mr. Arkarapol Leelaprachakul | 5/5 | - | - |
| 7. Mr. Ekbordin Leelaprachakul | 5/5 | - | - |

Note : Ms 4. Miss Duenpun Leelavivat was recently appointed as the Nomination and Remuneration Committee. According to the Board of Directors Meeting No. 5/21, dated November 15, 2021, the total number of meetings is not equal to other directors.

Remuneration for Directors and Executives

The Company has clearly and transparently determined the remuneration for directors in keeping with their roles and responsibilities for the Company. The suitability of the remuneration considers the maximum benefit to the Company and shareholders. The details are as follows:

Board of Directors

The Board of Directors Meeting no. 1/2021 on 1st March 2021 has determined the remuneration of the directors with the following details.

| Director position | Directors' remuneration (Baht) | | | |
|---|--------------------------------|----------------------|----------------------|----------------------|
| | 2020 | | 2021 | |
| | Meeting fee per time | Monthly compensation | Meeting fee per time | Monthly compensation |
| Chairman ¹ | 15,000 | - | 15,000 | - |
| Director | 10,000 | - | 10,000 | - |
| Independent Director | 10,000 | - | 10,000 | - |
| <u>Sub-Committee</u> | | | | |
| Chairman of the Audit Committee | 15,000 | - | 15,000 | - |
| Audit Committee | 10,000 | - | 10,000 | - |
| Executive Director ² | - | - | - | - |
| Chairman of the Nomination and Remuneration Committee | 15,000 | - | 15,000 | - |
| Nomination and Remuneration Committee | 10,000 | - | 10,000 | - |
| Chairman of the Risk Management Committee | 15,000 | - | 15,000 | - |
| Risk Management Committee | 10,000 | - | 10,000 | - |

Note 1. The Extraordinary General Meeting of Shareholders no. 2/2017 approved the appointment of the new Chairman, namely Mr. Pitipat Thitasirinant, who is also the Chairman of the Audit Committee in place of the former chairman who resigned from the position, namely Mr. Weerapol Leelaprachakul. The meeting approved the new rate of remuneration and considered approving the remuneration of the Board of Directors by paying in the form of meeting fees as follows:

- Chairman, 15,000 baht per time
- Director and Independent Director 10,000 baht per time

However, the executive director will not receive remuneration as a director, both in the form of monthly salary and meeting allowance.

2. Executive directors are executives who receive all salaries and therefore do not set meeting allowances.

In 2020 - 2021, the Company paid remuneration in cash to the directors, with the details in the below table.

| List of directors | Directors' remuneration | | | |
|---------------------------------|-------------------------|-----------------|-------------|-----------------|
| | 2020 (Baht) | | 2021 (Baht) | |
| | Director | Audit Committee | Director | Audit Committee |
| 1. Mr. Tchakorn Leelaprachakul | - | - | - | - |
| 2. Mr. Arkarapol Leelaprachakul | - | - | - | - |

| List of directors | Directors' remuneration | | | |
|---|-------------------------|-----------------|----------------|-----------------|
| | 2020 (Baht) | | 2021 (Baht) | |
| | Director | Audit Committee | Director | Audit Committee |
| 3. Mr. Ekbordin Leelaprachakul | - | - | - | - |
| 4. Miss Duenpun Leelavivat | 60,000 | - | 50,000 | - |
| 5. Mrs. Pornpun Hirunlap | 10,000 | - | 10,000 | - |
| 6. Mr. Pitipat Thitasirinant ¹ | 120,000 | 60,000 | 120,000 | 60,000 |
| 7. Mr. Kulawachara Bhurichayawarodom | 70,000 | 40,000 | 50,000 | 40,000 |
| 8. Mrs. Smorn Terdthampiboon ¹ | 60,000 | 30,000 | 50,000 | 40,000 |
| Total | 330,000 | 130,000 | 280,000 | 140,000 |

Note: The Board of Directors Meeting No. 1/2020 held on February 27, 2020, Mrs. Pornphan Hiranlarp resigned from the Board of Directors. due to personal mission, It is effective on November 15, 2021

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

In 2021, 4 Audit Committee meetings were held, and the following matters were considered:

1. Consider completeness, accuracy, and reliability of financial reports
2. Consider related items or items that may have conflicts of interest
3. Consider the adequacy of the Company's internal control system.
4. Consider and select the Company's auditors
5. Consider other matters in accordance with the requirements and rules of the company.

8.3 Report on the performance of the sub-committees in the past year

In 2021, the meeting information was disclosed. and performing duties of sub-committees fully the report can be viewed in [Attachment 6](#).

9

Internal Control and Related Transactions

9. Internal Control and Related Transactions

9.1 Company's internal control

The company realizes the importance of a good management of the internal control system as it contributes to the efficiency, effectiveness, transparency, and verifiability of the operations of the company. This is a mechanism for check and balance. The Board of Directors has assigned the Audit Committee to review the internal operations, as well as reviewing the operation of the company in accordance with the guidelines of the Stock Exchange of Thailand and the Securities and Exchange Commission, so that the company will ultimately have good internal control system and internal audit system.

At the Board of Directors' Meeting No. 1/2017, on June 30, 2017, after the company being transformed into a public company, the Board of Directors, with the 3 members of the Audit Committee attending the meeting, evaluated the adequacy of the Company's internal control system. According to the assessment form of the adequacy of the internal control system of the Office of the Securities and Exchange Commission ("SEC"), the evaluation of the internal control system of the company captures all 5 areas including: 1. Organization and environment 2. Risk management 3. Operational control 4. Information and communication systems 5. Monitoring system

The Board of Directors is of the opinion that, in the current situation, the company has an effective management and internal control system that is sufficient and suitable for the nature of the business, while at the same time being consistent with the internal control assessment form of the SEC, and the company has a strong and efficient system to control and prevent any suspicious transactions with major shareholders, directors, executives or related persons.

In addition, the company also has an Audit Committee to review the internal control system and the operating system of the company, by coordinating with the auditor, the Internal Control System Auditor, and the company executives so that the review of financial reports and information disclosure are to be surly sufficient and reliable. To ensure the operation of the company to be in line with the requirements, rules, regulations, announcements, and laws of the Stock Exchange of Thailand, the report of the Audit Committee's performance will be submitted to the Board of Directors and will be reported in the company's annual report. The report, signed by the Chairman of the Audit Committee, is a means to ensure an adequate protection of the company's assets from the misuse of power by directors or executives, the unnecessary transaction with conflicting parties or transactions with conflicts of interests.

The company has appointed the company Internal Audit Dharmniti Co., Ltd. ("Dharmniti"), which is an outsource agency to inspect and evaluate the adequacy of the Company's internal control system (Overview Audit) and continuously monitor the performance of the company work under the company's internal control system. To ensure that the company has an effective and efficient internal control system, the internal auditor will prepare the audit report of the internal control system of the company and present the internal audit report to the Audit Committee meeting. This in turn will enable the company to have improve the quality of the internal control system which will eventually lead to the creation of good corporate governance for the company in the long run. Also, this is also a mechanism which will support operations of the employees and

the organization to be efficient and smooth, meanwhile in accordance with the plans and goals set by the management. The Audit Committee is of the opinion that Dharmniti is qualified to be an internal auditor of the company due to its reliability, history, and experience of auditing companies listed on the Stock Exchange of Thailand.

Internal auditor's opinion on internal control system

The Company has appointed the Internal Audit Committee to act as the Company's internal auditors, with Dharmniti Internal Audit Company Limited (“Dharmniti”), which is an Outsource Audit Office, as an advisor to the Audit Committee. Inside the company which has assigned Ms. Korakot Chuansawat, who has appropriate and sufficient qualifications to perform her duties as an advisor to the Company's internal audit committee. Because he is knowledgeable, capable, and experienced in internal audit work.

In this regard, the Audit Committee Meeting No. 1/21, held on March 1, 2021, the Audit Committee Meeting No. 2/21, held on May 11, 2021, the Audit Committee Meeting No. 3/21, held on the 11th. August 2021 and the Audit Committee Meeting No. 4/21, held on November 15, 2021, the Internal Audit Committee presented the internal control monitoring report to the Audit Committee meeting. Policies and internal control systems are appropriately defined in all matters. However, the Company should have a process to regularly monitor the implementation of important recommendations.

About the head of the internal audit

Head of Internal Audit

The Company has appointed Dharmniti, an external agency. to perform internal audits for the Company Since March 26, 2015, Dharmniti has assigned Ms. Kornkokchawansawat to be the head of internal audit. who is primarily responsible for performing the duties of the Company's internal auditors which will examine, monitor, and evaluate the Company's internal control system according to the audit plan agreed with the Company and produce reports and suggestions. To improve in accordance with the plan and internal control policy of the company. and to comply with the 5 rules of COSO as mentioned above.

The appropriateness as the head of internal audit

The Company views that Dharmniti is an independent external agency. Report the results of the audit directly to the Audit Committee. and have sufficient qualifications to act as the Company's internal audit advisor. effectively, with Ms. Korakot Chuansawat as the head of the internal audit advisor. which has appropriate and sufficient qualifications to perform the duties of the Company's internal audit. Due to having knowledge, ability and experience working in internal auditing for more than 5 years and having attended training in related courses regularly.

Guidelines for the appointment, removal, and transfer of the head of internal audit

Appointment, removal, and transfer of the head of internal audit of the company must be approved by the Audit Committee, to be in accordance with the authority duties and responsibilities of the Audit Committee of the Company, approved by the resolution of the Board of Directors Meeting No. 7/2016 on 15 November 2016.

9.2 Related Party Transactions

Relationship

The Company has conducted related party transactions with persons/parties who may have conflicts of interest, including directors, shareholders, executives and related companies whose relationship can be summarized as follows.

| Person / entity with possible conflicts | Relationship |
|---|--|
| Mr. Veerapol Leelaprachakul ("Mr. Veerapol") | <ul style="list-style-type: none"> - Being a major shareholder of the company, having a shareholding ratio of 11.42% of the paid-up capital - Being the grandmother of Mr. Tchakorn Leelaprachakul who is a director and the Chief Executive Officer of the Company and its subsidiaries |
| ProPoint Global Consultants Company Limited ("ProPoint") | <ul style="list-style-type: none"> - Director, namely Mr. Tchakorn Leelaprachakul, who is a director and executive of the Company. and subsidiary - The major shareholder of Pro Point is the Company, holding 100% of the paid-up capital. - Operate the business of inspecting elevators, cranes and selling steel machines cargo wire rope |
| Lee and Son Holding Company Limited ("Lee and Son") | <ul style="list-style-type: none"> - There is 1 mutual major shareholder with the Company, namely Mrs. La-or Leelaprachakul, currently holding 11.43% of the paid-up capital - Providing consulting services and real estate rental |
| Thai-German Products Public Company Limited ("Thai-German Products") | <ul style="list-style-type: none"> - Mr. Rachata Leelaprachakul, a director, is a brother of Mr. Veerapol Leelaprachakul who is the major shareholder of the Company. - Manufacturing and distributing stainless steel products, including stainless steel pipes, stainless steel sheets and stainless-steel tools under the brand TGPRO - Major shareholders of Thai-German Products are Mr. Rachata Leelaprachakul and Miss Montira Leelaprachakul, holding 24.02% and 15.42% of the paid-up capital of 3,439.58 million baht respectively |
| Thai Vinytech (2002) Company Limited ("Thai Vinytech (2002)") | <ul style="list-style-type: none"> - The 3 directors, namely Mr. Veerapan Leelaprachakul, Mrs. Wimonrat Suchaidet and Mr. Supatsai Wiratkapan, whose relationships, with Mr. Veerapol Leelaprachakul, the major shareholders of the company, are a brother, a sister, and a brother-in-law. - Producing and selling PE pipes, PVC pipes, pipe fittings, pipe fittings and adhesives - Major shareholders of Thai Vinytech (2002), namely, Mrs. Wilaiporn Wiratkapan, Mr. Supatchai Wiratkapan, Thai Vinitec Company Limited, Mr. Veerapan Leelaprachakul and Mrs. Wimonrat Suchaidet, holding shares in Thai Vinitec (2002), accounting for 35.62%, 35.62%, 28.49%, 0.00% and 0.00% of the paid-up registered capital of 70.20 million baht respectively. |

| Person / entity with possible conflicts | Relationship |
|---|--|
| Sue Ngai Kai Klong Company Limited ("Sue Ngai Kai Klong") | <ul style="list-style-type: none"> - Providing office management services - The director, namely Mrs. La-or Leelaprachakul, is the major shareholder of the Company - There is 1 mutual major shareholder with the Company, namely Mrs. La-or Leelaprachakul, holding 11.43% of the paid-up capital |
| Trend Asia Corporation Co., Ltd. ("Trend Asia") | <ul style="list-style-type: none"> - Directors are Mrs. Sunee Jantarotorn, Mr. Thanapong Sakulpipat and Mr. Roengsak Kaewsa-ard, who are the Company's executives. - The major shareholder of Trend Asia is the Company, holding 76.56% of the paid-up capital. - Engages in other water supply and distribution businesses not classified elsewhere. |
| Ms. Siraya Asnapetch ("Ms. Siraya") | <ul style="list-style-type: none"> - Be a shareholder of Trend Asia by holding shares in the proportion of 7.81% of the paid-up capital. |
| International Water Management Company Limited ("Interwater") | <ul style="list-style-type: none"> - Director: Mr. Pinai Puangmanee, a shareholder of Trend Asia by holding shares in the proportion of 7.81% of the paid-up capital. - Operate a consulting business for study surveys design, manufacture, construction put in place measures to eliminate pollution, provide equipment rental services, and decorate the wedding venue and various event. |
| Ms. Suwaphat Onmeekul ("Ms. Suwaphat") | <ul style="list-style-type: none"> - Be a shareholder of Trend Asia by holding shares in the proportion of 7.81% of the paid-up capital. |
| Mr. Pinai Puangmanee ("Mr. Pinai") | <ul style="list-style-type: none"> - Be a shareholder of Trend Asia by holding shares in the proportion of 7.81% of the paid-up capital |
| Mr. Tatchaphon Leelaprachakul ("Mr. Tachaphon") | <ul style="list-style-type: none"> - He is a grandson of Mr. Veerapol Leelaprachakul who is a major shareholder of the Company. - Be a shareholder of the Company has a shareholding proportion in the Company of 0.71% of the paid-up capital. |

Details of Related Party Transactions

There are related party transactions in which the Company conducted with individuals/juristic persons that may have conflicts of interest, as of December 31, 2020, and December 31, 2021, as the following.

The company has related party transactions with Mr. Veerapol Leelaprachakul as follows.

| List | Item value 31 Dec 2020 | Item value 31 Dec 2021 | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|------------------------------------|---------------------------|---------------------------|---|--|
| | (MB) | (MB) | | |
| Expenses and income | | | | |
| Consultant fee | 1.80 | 1.80 | The company has hired Mr. Veerapol Leelaprachakul to be a strategic business and marketing consultant since July 2017 with a contract and responsibility to provide guidance on investment strategies for expanding potential markets and helping to build good relationships with existing regular customers and old customers of the Company. The Company agreed to pay compensation to the consultant at the rate of 150,000 baht per month and other benefits such as medical expenses, petrol expenses, which can be reimbursed as actual, but not more than 6 times the monthly advisory fee or not more than 20,000 per month, etc. The contract will be renewed for a period of 6 months and must be approved by the Board of Directors' meeting. | The Audit Committee is of the opinion that such transaction is reasonable because Mr. Veerapol is a knowledgeable person with an understanding of the business of the Company and can give marketing advice which will be beneficial to the Company. |
| Healthcare benefit | 0.87 | 0.45 | | |
| Gas and travelling expense benefit | 0.07 | 0.09 | | |

The company has related party transactions with ProPoint Global Consultants Company Limited as follows.

| List | Item value 31 Dec 2020 | Item value 31 Dec 2021 | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|----------------------------|---------------------------|---------------------------|---|---|
| | (MB) | (MB) | | |
| Outstanding Balance | | | | |
| Trade accounts receivable | 0.08 | 0.02 | As of the end of the accounting period on December 31, 2021, the Company has borrowed money from Propoint in the amount of 3,500,000 baht with conditions agreed in the agreement dated October 26, 2018, and the company will gradually pay the said amount. According to the payment cycle of the company with interest of 5%, as a result, accrued interest amounted to 131,849.29 baht. The company had accrued income of 72,563.20 baht, trade accounts receivable 19,522.15 baht and domestic creditors. 14,975,024.50 baht | The Audit Committee is of the opinion that such transactions are reasonable because they are normal business transactions of the Company and that the transactions are in fact in accordance with general trading conditions, not causing the company to lose any benefits. |
| deposit | - | 0.05 | | |
| Accrued income | 0.02 | 0.07 | | |
| Domestic creditors | 13.07 | 14.98 | | |
| Asset purchase payables | - | 0.38 | | |

| List | Item value 31 Dec 2020 | Item value 31 Dec 2021 | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|----------------------------|---------------------------|---------------------------|--|---|
| | (MB) | (MB) | | |
| Loan | 3.50 | 3.50 | The company has income from ProPoint, i.e., revenue from sales of products 223,125.88 baht, other income 187,440 baht and expenses from Pro Point, including consulting fee 3,600,000 baht, wire rope test fee 2,431,500 baht, tool repair cost 61,900 baht. Other service fees 179,000 baht, car rental 2,011,800 baht and interest expenses 174,999.97 baht. | The Audit Committee is of the opinion that such transactions are reasonable because they are normal business transactions of the Company and that the transactions are in fact in accordance with general trading conditions, not causing the company to lose any benefits. |
| Accrued interest expense | 0.03 | 0.13 | | |
| <u>Expenses and income</u> | | | | |
| Sale income | 0.61 | 0.22 | | |
| Other income | 0.29 | 0.29 | | |
| Consultant fee | 3.60 | 3.60 | | |
| Wire rope Tests | 2.37 | 2.43 | | |
| Repair | 0.17 | 0.06 | | |
| Other service fees | 0.05 | 0.18 | | |
| Car rental | 2.08 | 2.01 | | |
| Buy goods | - | 0.09 | | |
| Interest | 0.23 | 0.17 | | |

The company has related party transactions with Lee and Son Holding Company Limited as follows.

| List | Item value 31 Dec 2020 | Item value 31 Dec 2021 | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|---------------------------------|---------------------------|---------------------------|---|--|
| | (MB) | (MB) | | |
| <u>Outstanding Balance</u> | | | The Company has an accrued utility bill with Lee & Son since the Company Rented office buildings and warehouses from Lee & Sons Holding, charged at the actual electricity usage rate of 5.00 baht per unit according to the conditions agreed in the lease agreement, and the Company will gradually pay the amount according to the cycle. Company payment as a result, the outstanding balance is as at the end of the accounting period. As of December 31, 2020, and | The Audit Committee is of the opinion that such transaction is a normal business transaction and is a transaction that occurred in the past. Since 16 August 2016, the Company has entered a new contract and changed the rental rate by using the reference rate from an independent appraiser who has already been approved by the SEC. Also, the Company has directly entered into a lease agreement on the part of the |
| Rental and service fees payable | 0.47 | 0.47 | | |
| Other payables | 0.07 | 0.07 | | |
| Trade accounts receivable | - | 0.01 | | |
| Expenses in advance | 0.21 | 0.21 | | |

| List | Item value | | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|----------------------------|---------------------|---------------------|--|---|
| | 31 Dec 2020 (MB) | 31 Dec 2021 (MB) | | |
| Expenses and income | | | | |
| Office rental | 4.87 | 5.93 | <p>December 31, 2021, the Company has a total of 0.47 million baht and 0.47 million baht of accrued rental and service expenses, respectively.</p> <p>The Company entered a land and building lease agreement from Lee & Son for the location of its warehouse and Samrong branch office and head office. In the rental rates as follows:</p> <ul style="list-style-type: none"> ■ Renting vacant land and warehouses at a total rental rate of 245,800 baht per month. ■ Head office building rental at the rental rate of 220,704 baht per month, utilities are not included. ■ Rent a single-story office building at a rental rate of 35,000 baht per month, Utilities are not included. <p>The rental fee is determined from an independent appraiser, approved by the SEC, with the new contract effective from August 2016 onwards. Such vacant land from Lee & Son has been transferred successfully as of June 16, 2017 but continues to lease the warehouse area. As of December 31, 2020, and December 31, 2021, the Company There were total office rental expenses of 4.87 million baht and 5.93 million baht. Total utility expenses 0.21 million baht and 0.20 million baht.</p> | <p>head office building with Sue Ngai Kai Klong Co., Ltd., which is the owner of the building instead of sublease from Lee and Sun in May 2017. In part of the updated contract as of September 6, 2017, the contract expands the lease from 3 years to 20 years and granting the right to the Company to be a tenant and the first buyer would result in the Company's best interest since Samrong warehouse is the main warehouse of the Company. All such transactions are considered reasonable and for the benefit of the Company.</p> |
| Utility Bills | 0.21 | 0.20 | | |
| Sales revenue | 0.03 | 0.01 | | |

The company has related party transactions with Thai-German Products Public Company Limited as follows.

| List | Item value | | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|----------------------------|---------------------|---------------------|---|--|
| | 31 Dec 2020 (MB) | 31 Dec 2021 (MB) | | |
| Outstanding Balance | | | | |
| Trade accounts receivable | 0.11 | 0.08 | <p>The Company sells wire rope products to Thai-German Products Public Company Limited for use in their factories in normal business operations, with the selling price and profit margin that are comparable to the selling price and the profit margin when sold to other third parties. By determining the selling price based on the sales volume and trade conditions and payment like those offered to other customers, this commercial transaction is deemed a normal business operation. As of December 31, 2020, and December 31, 2021, the Company has revenue from sales and services worth 0.10 million baht and 0.21 million baht, respectively.</p> | <p>The Audit Committee is of the opinion that such transaction is reasonable because it is a normal business transaction of the Company, and that the transaction is in accordance with general trading conditions which are in line with the Company's sales and service policies. The selling price, profit margin and service rate can be compared to the selling price, profit margins and service rates to those of third parties and hence do not result in the company losing any benefits.</p> |
| Trade payables | 0.49 | - | | |
| Expenses and income | | | | |
| sale income | 0.10 | 0.21 | | |

The company has related party transactions with Thai Vinytech (2002) Company Limited as follows.

| List | Item value 31 Dec 2020 (Baht) | Item value 31 Dec 2021 (Baht) | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|----------------------------|-------------------------------------|-------------------------------------|--|--|
| <u>Outstanding Balance</u> | | | | |
| Trade accounts receivable | 4,074.56 | 3,278.48 | The company sells wire rope products to Thai Vinytech (2002) Company Limited, with the selling price and profit margin that are comparable to the selling price and the profit margin when sold to other third parties. By determining the selling price based on the sales volume and trade conditions and repayment like those offered to other customers, this commercial transaction is deemed a normal business operation. As a result, the company has trade accounts receivable as of December 31, 2020, and December 31, 2021, totaling 4,074.56 baht and 3,278.48 baht from revenues of 71,572 baht and 90,489.50 baht, respectively. | The Audit Committee is of the opinion that such transaction is reasonable because it is a normal business transaction of the Company, and that the transaction is in accordance with general trading conditions which are in line with the Company's sales and service policies. The selling price, profit margin and service rate can be compared to the selling price, profit margins and service rates to those of third parties and hence do not result in the company losing any benefits |
| <u>Expenses and income</u> | | | | |
| sale income | 71,572.00 | 90,489.50 | | |

The company has related party transactions with Sue Ngai Kai Klong Company Limited as follows.

| List | Item value 31 Dec 2020 (Baht) | Item value 31 Dec 2021 (Baht) | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|----------------------------|-------------------------------------|-------------------------------------|---|---|
| <u>Outstanding Balance</u> | | | | |
| Accrued office rental | 310,695.00 | 310,695.00 | The company leased the building from the Sue Ngai Kai Klong Co., Ltd to be used as the headquarters at the rental rate of 310,695 baht per month, starting from 1 May 2021 onwards. This is a direct lease contract with Sue Ngai Kai Klong Co., Ltd, the owner of the building, instead of renting through Lee and Sun Holding Co., Ltd. In addition, the company has hired Sue Ngai Kai Klong Co., Ltd to manage the office with the services such as security and cleaning, at a fee of 20,000 baht per month, Close to rates from third parties and has an outstanding balance of office rent payments and utilities are recorded as other payable, totaling 68,638.62 baht because the company has made payment according to the payment cycle. The company has the amount of expenses paid. Sue Ngai Kai Klong Co., Ltd easily, including office rent 3,728,340 baht, utility fee 184,426.10 baht, and management fee 240,000 baht. | The Audit Committee is of the opinion that such transaction is reasonable because it is a normal business support transaction of the Company, and that the transaction is in accordance with general trading conditions and the rental fee is comparable to those offered by other third parties. As a result, the transaction does not cause the company to lose any benefits. |
| Other payables | 49,204.01 | 68,638.62 | | |
| <u>Expenses and income</u> | | | | |
| Office rental | 3,615,360.00 | 3,728,340.00 | | |
| Utilities | 153,431.63 | 184,426.10 | | |
| Management fee | 240,000.00 | 240,000.00 | | |

The company has related party transactions with Trend Asia Corporation Company Limited as follows.

| List | Item value 31 Dec 2020 (MB) | Item value 31 Dec 2021 (MB) | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|-----------------------------------|-----------------------------------|-----------------------------------|--|---|
| <u>Outstanding Balance</u> | | | | |
| Accounts receivable | 38.36 | 34.20 | As of May 7, 2019, Trend Asia borrowed money from the Company in the amount of 12,000,000 baht with 5% interest, resulting in the accounting period ending December 31, 2021, accrued interest income of 2.31 million baht, the company had accrued income of 1.71 million. Baht, trade accounts receivable 34.20 million baht and advance payment of 7.75 million baht, and the company has revenue from trend Asia, including product sales revenue 3.42 million baht, service income 2.19 million baht and interest income 0.87 million baht. | The Audit Committee is of the opinion that such transaction is reasonable because it is a normal business support transaction of the Company, and that the transaction is in accordance with general trading conditions and the rental fee is comparable to those offered by other third parties. As a result, the transaction does not cause the company to lose any benefits. |
| Accrued income | 1.60 | 1.71 | | |
| Accrued interest | 1.44 | 2.31 | | |
| Advances | 4.00 | 7.75 | | |
| Loans | 12.00 | 12.00 | | |
| <u>Expenses and income</u> | | | | |
| Sales revenue | 2.36 | 3.42 | | |
| Service income | 0.22 | 2.19 | | |
| Interest income | 0.87 | 0.87 | | |

The company has related party transactions with Ms. Siraya Asnapetch as follows.

| List | Item value 31 Dec 2020 (MB) | Item value 31 Dec 2021 (MB) | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|-----------------------------------|-----------------------------------|-----------------------------------|--|--|
| <u>Expenses and income</u> | | | | |
| Payable from purchase of shares | 5.60 | 5.60 | The company is still unable to pay the share price to Ms. Siraya Asnapetch because the company still have to confiscate the deduction of the expenses due to Ms. Siraya Asnapetch is still responsible for the company Complete the water quality improvement system for 9 shrimp farms and have passed the performance test. And is ready to sell water in accordance with the terms and conditions specified in the water quality improvement contract relating to 9 shrimp farms under the share purchase agreement When done if there is still any money left, then the company will pay the remaining amount to Ms. Siraya Asnapetch immediately. | The Audit Committee is of the opinion that such transaction is reasonable because it is a normal business support transaction of the Company, and that the transaction is in accordance with general trading conditions. As a result, the transaction does not cause the company to lose any benefits. |
| Other receivables | 0.02 | 0.02 | | |

The company has related party transactions with International Water Management Company Limited as follows.

| List | Item value 31 Dec 2020 | Item value 31 Dec 2021 | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|--|---------------------------|---------------------------|--|--|
| | (MB) | (MB) | | |
| Outstanding Balance | | | | |
| Trade accounts payable-related companies | 0.60 | 0.60 | As of December 31, 2021, the Company hired International Water Management Company Limited to undertake the construction, design, installation of the water quality improvement system. For shrimp farms with trade payable 0.60 million baht, advance payment for service fee 3.09 million baht and performance guarantee 0.77 million baht. | The Audit Committee is of the opinion that such transaction is reasonable because it is a normal business support transaction of the Company and that the transaction is in accordance with general trading conditions and the rental fee is comparable to those offered by other third parties. As a result, the transaction does not cause the company to lose any benefits. |
| Advance payment for service | 3.09 | 3.09 | | |
| Retention deposit | 0.77 | 0.77 | | |

The company has related party transactions with Ms. Suvaphat Onnikool as follows.

| List | Item value 31 Dec 2020 | Item value 31 Dec 2021 | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|----------------------------|---------------------------|---------------------------|---|---|
| | (Baht) | (Baht) | | |
| Expenses and income | | | | |
| Other receivables | 2,889.00 | 2,889.00 | The company has other receivables with Ms. Suvaphat Onnikool in the amount of 2,889.00 baht | The Audit Committee is of the opinion that such transaction is reasonable because it is a normal business support transaction of the Company and that the transaction is in accordance with general trading conditions. As a result, the transaction does not cause the company to lose any benefits. |

The company has related party transactions with Mr. Pinai Puangmanee as follows.

| List | Item value 31 Dec 2020 | Item value 31 Dec 2021 | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|----------------------------|---------------------------|---------------------------|---|---|
| | (Baht) | (Baht) | | |
| Expenses and income | | | | |
| Other receivables | 2,889.00 | 2,889.00 | The company has other receivables with Mr. Pinai Puangmanee in the amount of 2,889.00 baht. | The Audit Committee is of the opinion that such transaction is reasonable because it is a normal business support transaction of the Company and that the transaction is in accordance with general trading conditions. As a result, the transaction does not cause the company to lose any benefits. |

The company has related party transactions with Mr. Tatchaphon Leelaprachakul as follows.

| List | Item value 31 Dec 2020 (Baht) | Item value 31 Dec 2021 (Baht) | Necessity and Reasonableness of the transaction | Opinion of the Audit Committee |
|----------------------------|-------------------------------------|-------------------------------------|--|--|
| | | | | |
| Outstanding Balance | | | | |
| Accrued consultant fees | 150,000.00 | 150,000.00 | The company hired Mr. Tatchaphon Leelaprachakul to be the controller of the position. "Supervisor for water quality improvement through the ultrafiltration and ozone system (Project Manager)" of the company with a contract between the parties. To give advice, take care, control, and monitor the project's operation, the company agreed to pay compensation to the supervisor. Until project completion totaling 150,000 baht. | The Audit Committee is of the opinion that such transaction is reasonable because it is a normal business support transaction of the Company, and that the transaction is in accordance with general trading conditions. As a result, the transaction does not cause the company to lose any benefits. |

Necessity and reasonableness of the connected transaction

Audit Committee Meeting No. 2/2021 on May 11, 2021 Audit Committee Meeting No. 3/2021 on August 11, 2021 Audit Committee Meeting No. 4/21 on November 15 2021 and the Audit Committee Meeting No. 1/2022 on February 24, 2022 considered the Company's related transactions. In the fiscal year ended March 31, 2021, June 30, 2021, September 30, 2021 and December 31, 2021, together with inquiries from the Company's management. As well as reviewing information as specified in the notes to the Company's auditors' financial statements and of the opinion that inter-company transactions of the Company in the fiscal year ended March 31, 2021, June 30, 2021, September 30, 2021 and December 31, 2021, the transaction is divided into 5 groups:

1. Normal business transactions meaning any core business transactions that the Company or its subsidiaries perform in main business activities such as trading of goods, providing services, purchasing products for resale;
2. Regular business supporting activities or programs including trade transactions which companies in the same industry usually conduct in order to support the normal business activities;
3. Rental or lease of immovable property not more than 3 years and cannot show that there are under the general commercial conditions;
4. Items relating to assets or services such as acquisition or disposal of assets, providing / receiving services, investing / selling investments in the business;
5. Providing or receiving financial assistance meaning giving or receiving financial funds by accepting or giving loans, guaranteeing assets as collateral for the debt as well as other similar circumstances.

Measures or Procedures for Approving Related Party Transactions

In the past, related party transactions were approved by the Board of Directors since the Company had not yet appointed an audit committee and there was no requirement for related party transactions. Therefore, the transactions were not approved by the Audit Committee. However, the Board of Directors has considered the best interests of the Company in entering transactions with related persons or parties who may have conflicts of interest. After the Company has appointed the Audit Committee and at the meeting of the Board of Directors No. 9/2015 on October 20, 2015, the Board of Directors resolved to approve the policies and procedures for related party transactions. The Company and its subsidiaries with individuals or juristic persons that may have conflicts of interest to make the transactions transparent and to protect the interests of the Company and its subsidiaries, summarized as follows:

- 1) Transaction or trade agreement with general trading conditions

Regular business transactions and regular business supporting activities such as land and building rentals must be operated under general commercial conditions and with fair prices. These can be compared to the inter-company transactions between the company and/or subsidiaries with the public, to transactions between individuals who may have conflicts of interest, or to transactions conducted in the same manner of other business operators. For these transactions, the management of the Company and its subsidiaries can operate unexceptionally under the principles previously approved by the Board of Directors. Also, a summary report of such transactions that have occurred in the past period must be prepared and provided at the Audit Committee meeting every quarter. Moreover, the Company and its subsidiaries will comply to the rules and regulations, notifications, orders, or requirements of the Stock Exchange of Thailand including complying with the regulations regarding the disclosure of related party transactions.

2) Transaction or trade agreement not falling under general trade conditions

For any transaction that its conditions do not fall into a general trade terms and conditions, the Company and its subsidiaries are required to have the Audit Committee consider and comment on the appropriateness of the transaction and price of that item before presenting it to Board of Directors and/or the shareholders' meeting for approval on a case-by-case basis. However, if the Audit Committee does not have an expertise in considering that related party transactions that may occur, the Company and its subsidiaries will proceed by seeking assistance from an independent appraiser, independent experts, or the Company's and/or its subsidiaries' auditors to give opinions on such related party transactions. The opinions of the independent experts will be used by the Audit Committee in making decisions and providing opinions to the Board of Directors and/or the shareholders to gain approval on such transactions before entering the transaction. In this regard, the Company and/or its subsidiaries will disclose the related party transaction information in the notes to the financial statements that have been audited by the Company's and its subsidiaries' auditors. Additionally, the Company and/or its subsidiaries will disclose such related party transactions in the Annual Registration Statement (Form 56-1 One Report) and the Annual Report (Form 56-2) and comply with the rules and regulations regarding Securities and Exchange, laws, notifications, orders, or requirements of the Stock Exchange of Thailand. For any related party transaction, the affected person who may have a conflict of interest or is having a conflict of interest will not have the right and will be refrained from voting on such transaction.

Policy or Trend of Related Party Transactions in the Future

The Company and its subsidiaries have possible connected transactions that may occur in the future, including sales of products and services, office building rental, which have been audited and approved before entering the transaction by the Audit Committee and the Board of Directors. In any case, the Audit Committee will review and comment on related party transactions pertaining to normal business transactions or normal business supporting activities on a quarterly basis. Nevertheless, for any transactions that do not falls into a normal business category which may arise in the future, the Company and/or its subsidiaries will every time arrange for the Audit Committee to review the necessity and reasonableness of the transaction before entering the related party transaction.

If the Company and/or its subsidiaries are required to make related party transactions with persons or parties that may have a conflict of interest with the Company and its subsidiaries, the Company and its subsidiaries will comply with the policies and procedures regarding the approval of related party transactions, previously set to generate appropriate and fair business transactions. In this regard, the Company and its subsidiaries will ensure that the transactions have the same trade conditions as those conducted with other third parties.

The Company and/or its subsidiaries will allow the Audit Committee to review and give opinions on the necessity and appropriateness before entering such transactions. If the Audit Committee does not have an expertise in considering the related transactions that may occur, the Company and/or its subsidiaries will seek the advice from an independent appraiser, independent experts or the Company's and its subsidiaries' auditors. The opinions will be used for decision making of the Audit Committee, and/or the Board of Directors, and/or the shareholders. The size of the transaction will also be taken into consideration.

The company and its subsidiaries will disclose such related party transactions in the annual information disclosure form (Form 56-1) and the annual report (Form 56-2) and comply with the rules and regulations on securities and exchange, laws, announcements, orders of the Stock Exchange of Thailand. For any related party transaction, the affected person who may have a conflict of interest or is having a conflict of interest will not have the right and will be refrained from voting on such transaction.

Part 3

Financial Statements



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working world

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THE FINANCIAL STATEMENTS SIGNED

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Independent Auditor's Report

To the Shareholders of Thai Mui Corporation Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Thai Mui Corporation Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thai Mui Corporation Public Company Limited for the same period.

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

Basis for Opinion

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

Emphasis of matters

I draw attention to in Note 13.3 to the consolidated financial statements, under an agreement to purchase common shares of Trend Asia Corporation Co., Ltd. with a person (the existing shareholder), which is related to the previous business (the procurements and the installation of Static Mixer machines), that is solely responsible and belongs to the group of existing shareholders. Since Static Mixer machine did not function as agreed then its subsidiary's customer sent a notified letter to dismantle and remove all of Static Mixer machines. In the year 2020, the dismantling and removal of the works were completed.



From such event, there is a substantial doubt about uncollectibility of trade receivable and demand for damages. The management of the Company however expects that there will be no damage inflicted from the claim of the customer which impacts the dismantling of the Static Mixer as it is an obligation of the group of existing shareholders. If case of damage claim, the Company is able to offset with share payable. Trend Asia Corporation Co., Ltd., will delete such trade receivable and trade payable when obtaining clear evidence that assures that no compensatory damages are demanded. My opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matter is a matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

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

Revenue recognition

The revenue amount is material and has a significant impact on the financial statements as the Group has a large number of sales transactions. In addition, the Covid-19 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. Therefore, I draw a special attention to the revenue recognition of the Group.

I examined the revenue recognition of the Group by assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. I applied a sampling method to select sales to assess whether revenue recognition was consistent with the conditions of sales and in compliance with the Group's policy.

On a sampling basis, I examined supporting documents for actual sales transactions occurring during the year and near the end of the accounting period. I reviewed credit notes that the Group had issued after the period end as well as performed analytical procedures to detect possible irregularities in sales transactions throughout the period.



Other Information

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

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

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

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

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

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

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



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

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

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

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

I am responsible for the audit resulting in this independent auditor's report.

Siriwan Suratepin

Certified Public Accountant (Thailand) No. 4604

EY Office Limited

Bangkok: 24 February 2022

Thai Mui Corporation Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2021

(Unit: Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|--------------------|-------------------------------|--------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 7 | 40,726,447 | 64,460,976 | 39,752,356 | 62,863,338 |
| Trade and other receivables | 8 | 101,821,266 | 74,566,453 | 136,291,594 | 107,436,673 |
| Current portion of lease receivable | 9 | 17,696,970 | 14,157,576 | - | - |
| Short-term loan to related party | 6 | - | - | 12,000,000 | 12,000,000 |
| Inventories | 10 | 244,903,533 | 238,805,951 | 194,775,636 | 179,278,352 |
| Other current financial assets | 11 | 42,587 | 42,463 | 10,164 | 10,104 |
| Other current assets | | 2,609,014 | 2,096,243 | 1,768,989 | 1,428,800 |
| Total current assets | | 407,799,817 | 394,129,662 | 384,598,739 | 363,017,267 |
| Non-current assets | | | | | |
| Restricted bank deposits | 12 | 16,172,390 | 15,919,612 | 16,172,390 | 15,919,612 |
| Lease receivable - net of current portion | 9 | 56,346,653 | 47,754,424 | - | - |
| Investments in subsidiaries | 13.1 | - | - | 51,799,800 | 44,799,800 |
| Property, plant and equipment | 14 | 60,641,122 | 61,259,180 | 59,813,025 | 60,365,241 |
| Right-of-use assets | 19 | 48,599,762 | 59,409,156 | 47,896,643 | 58,402,532 |
| Intangible assets | 15 | 41,957,734 | 43,481,075 | 273,105 | 628,363 |
| Deferred tax assets | 23 | 8,202,085 | 7,602,422 | 6,879,999 | 5,869,677 |
| Other non-current assets | | 4,520,237 | 4,965,145 | 3,710,740 | 3,771,283 |
| Total non-current assets | | 236,439,983 | 240,391,014 | 186,545,702 | 189,756,508 |
| Total assets | | 644,239,800 | 634,520,676 | 571,144,441 | 552,773,775 |

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

Thai Mui Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2021

(Unit: Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|-------------|-------------------------------|-------------|
| | Note | 2021 | 2020 | 2021 | 2020 |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Short-term loans from financial institutions | 16 | 45,755,402 | 32,000,000 | 45,755,402 | 32,000,000 |
| Trade and other payables | 17 | 72,402,160 | 64,822,770 | 82,849,771 | 74,867,712 |
| Short-term loans from related parties | 6 | 4,225,000 | 4,225,000 | 3,500,000 | 3,500,000 |
| Current portion of long-term loan | | | | | |
| from financial institution | 18 | 21,852,000 | 12,584,000 | - | - |
| Current portion of long-term lease liabilities | 19.1 | 11,857,863 | 12,014,692 | 11,646,790 | 11,663,922 |
| Other current liabilities | | 1,789,314 | 1,640,785 | 693,975 | 678,229 |
| Total current liabilities | | 157,881,739 | 127,287,247 | 144,445,938 | 122,709,863 |
| Non-current liabilities | | | | | |
| Long-term loan from financial institution | | | | | |
| - net of current portion | 18 | 45,263,641 | 58,175,641 | - | - |
| Long-term lease liabilities - net of current portion | 19.1 | 35,662,092 | 45,353,189 | 35,662,092 | 45,142,116 |
| Provision for long-term employee benefits | 20 | 18,969,268 | 16,237,420 | 17,973,224 | 15,385,925 |
| Deferred tax liabilities | 23 | 8,336,646 | 8,570,263 | - | - |
| Total non-current liabilities | | 108,231,647 | 128,336,513 | 53,635,316 | 60,528,041 |
| Total liabilities | | 266,113,386 | 255,623,760 | 198,081,254 | 183,237,904 |

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



Thai Mui Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

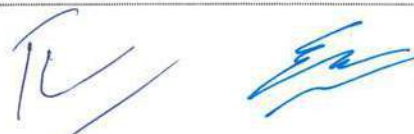
As at 31 December 2021

(Unit: Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|--------------|-------------------------------|--------------|
| | Note | 2021 | 2020 | 2021 | 2020 |
| Shareholders' equity | | | | | |
| Share capital | | | | | |
| Registered | | | | | |
| 340,000,000 ordinary shares of Baht 0.50 each | | 170,000,000 | 170,000,000 | 170,000,000 | 170,000,000 |
| Issued and fully paid up | | | | | |
| 340,000,000 ordinary shares of Baht 0.50 each | | 170,000,000 | 170,000,000 | 170,000,000 | 170,000,000 |
| Share premium | | 210,680,602 | 210,680,602 | 210,680,602 | 210,680,602 |
| Surplus on business combination | | 4,663,750 | 4,663,750 | - | - |
| Retained earnings | | | | | |
| Appropriated-statutory reserve | 21 | 4,995,828 | 4,995,828 | 4,995,828 | 4,995,828 |
| Unappropriated (retained deficit) | | (21,631,281) | (22,132,909) | (12,613,243) | (16,140,559) |
| Equity attributable to owners of the Company | | 368,708,899 | 368,207,271 | 373,063,187 | 369,535,871 |
| Non-controlling interests of the subsidiaries | | 9,417,515 | 10,689,645 | - | - |
| Total shareholders' equity | | 378,126,414 | 378,896,916 | 373,063,187 | 369,535,871 |
| Total liabilities and shareholders' equity | | 644,239,800 | 634,520,676 | 571,144,441 | 552,773,775 |

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

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Directors

THAIMU
CORPORATION PUBLIC COMPANY LIMITED
บริษัท ไทยมุย คอร์ปอเรชั่น จำกัด (มหาชน)

Thai Mui Corporation Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|---------------------|-------------------------------|---------------------|
| | Note | 2021 | 2020 | 2021 | 2020 |
| Profit or loss: | | | | | |
| Revenues | | | | | |
| Sales income | | 332,604,013 | 315,031,220 | 316,802,289 | 265,600,716 |
| Service income | | 18,314,037 | 13,490,319 | 7,964,908 | 5,252,805 |
| Other income | | 3,229,576 | 540,250 | 3,174,283 | 830,696 |
| Total revenues | | <u>354,147,626</u> | <u>329,061,789</u> | <u>327,941,480</u> | <u>271,684,217</u> |
| Expenses | | | | | |
| Cost of sales | | 204,497,041 | 195,584,380 | 189,106,225 | 154,273,955 |
| Cost of services | | 14,696,921 | 12,332,076 | 747,032 | 1,382,992 |
| Selling and distribution expenses | | 38,363,045 | 31,970,989 | 42,503,382 | 36,057,742 |
| Administrative expenses | | 92,187,039 | 94,001,663 | 89,397,823 | 91,706,270 |
| Total expenses | | <u>349,744,046</u> | <u>333,889,108</u> | <u>321,754,462</u> | <u>283,420,959</u> |
| Operating profit (loss) | | 4,403,580 | (4,827,319) | 6,187,018 | (11,736,742) |
| Finance income | | 693,094 | 381,959 | 938,965 | 1,006,926 |
| Finance cost | | (6,439,460) | (7,418,163) | (4,608,988) | (5,987,458) |
| Profit (loss) before income tax income | | (1,342,786) | (11,863,523) | 2,516,995 | (16,717,274) |
| Income tax income | 23 | 572,284 | 873,093 | 1,010,321 | 748,005 |
| Profit (loss) for the year | | <u>(770,502)</u> | <u>(10,990,430)</u> | <u>3,527,316</u> | <u>(15,969,269)</u> |
| Other comprehensive income: | | | | | |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i> | | | | | |
| Actuarial gain on defined benefit plan | | - | 739,313 | - | 766,061 |
| Less: Income tax effect | 23 | - | (147,863) | - | (153,212) |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax | | - | 591,450 | - | 612,849 |
| Other comprehensive income for the year | | - | 591,450 | - | 612,849 |
| Total comprehensive income for the year | | <u>(770,502)</u> | <u>(10,398,980)</u> | <u>3,527,316</u> | <u>(15,356,420)</u> |

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

Thai Mui Corporation Public Company Limited and its subsidiaries

Statement of comprehensive income (Continued)

For the year ended 31 December 2021

(Unit: Baht)

| | | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|---|-------------|--|---------------------|--------------------------------------|---------------------|
| | <u>Note</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Profit (loss) attributable to: | | | | | |
| Equity holders of the Company | | 501,628 | (12,189,800) | <u>3,527,316</u> | <u>(15,969,269)</u> |
| Non-controlling interests of the subsidiaries | | <u>(1,272,130)</u> | <u>1,199,370</u> | | |
| | | <u>(770,502)</u> | <u>(10,990,430)</u> | | |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the Company | | 501,628 | (11,598,350) | <u>3,527,316</u> | <u>(15,356,420)</u> |
| Non-controlling interests of the subsidiaries | | <u>(1,272,130)</u> | <u>1,199,370</u> | | |
| | | <u>(770,502)</u> | <u>(10,398,980)</u> | | |
| Profit (loss) per share (Baht) | | | | | |
| | 24 | | | | |
| Basic profit (loss) per share | | | | | |
| Profit (loss) attributable to equity holders of the Company | | <u>0.001</u> | <u>(0.036)</u> | <u>0.010</u> | <u>(0.047)</u> |
| Weighted average number of ordinary shares (share) | | <u>340,000,000</u> | <u>340,000,000</u> | <u>340,000,000</u> | <u>340,000,000</u> |

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

Thai Mui Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

| | Consolidated financial statements | | | | | |
|---|--|---------------|--|--|-----------------------------------|----------------------------|
| | Equity attributable to owners of the Company | | | Equity attributable to non-controlling interests of the subsidiaries | | Total shareholders' equity |
| | Issued and fully paid-up share capital | Share premium | Surplus on business combination under common control | Retained earnings | Unappropriated (retained deficit) | |
| | | | | Appropriated | | |
| Balance as at 1 January 2020 | 170,000,000 | 210,680,602 | 4,663,750 | 4,995,828 | (10,534,559) | 389,295,896 |
| Loss for the year | - | - | - | - | (12,189,800) | (10,990,430) |
| Other comprehensive income for the year | - | - | - | - | 591,450 | 591,450 |
| Total comprehensive income for the year | - | - | - | - | (11,598,350) | (10,398,980) |
| Balance as at 31 December 2020 | 170,000,000 | 210,680,602 | 4,663,750 | 4,995,828 | (22,132,909) | 378,896,916 |
| Balance as at 1 January 2021 | 170,000,000 | 210,680,602 | 4,663,750 | 4,995,828 | (22,132,909) | 378,896,916 |
| Loss for the year | - | - | - | - | 501,628 | (770,502) |
| Other comprehensive income for the year | - | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | 501,628 | (770,502) |
| Balance as at 31 December 2021 | 170,000,000 | 210,680,602 | 4,663,750 | 4,995,828 | (21,631,281) | 378,126,414 |

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

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Thai Mui Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (Continued)

For the year ended 31 December 2021

(Unit: Baht)

Separate financial statements

| | Issued and fully paid-up share capital | Share premium | Retained earnings | | Total shareholders' equity |
|---|--|---------------|-------------------|--------------------------------------|----------------------------------|
| | | | Appropriated | Unappropriated (retained deficit) | |
| Balance as at 1 January 2020 | 170,000,000 | 210,680,602 | 4,995,828 | (784,139) | 384,892,291 |
| Loss for the year | - | - | - | (15,969,269) | (15,969,269) |
| Other comprehensive income for the year | - | - | - | 612,849 | 612,849 |
| Total comprehensive income for the year | - | - | - | (15,356,420) | (15,356,420) |
| Balance as at 31 December 2020 | 170,000,000 | 210,680,602 | 4,995,828 | (16,140,559) | 369,535,871 |
| Balance as at 1 January 2021 | 170,000,000 | 210,680,602 | 4,995,828 | (16,140,559) | 369,535,871 |
| Profit for the year | - | - | - | 3,527,316 | 3,527,316 |
| Other comprehensive income for the year | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | 3,527,316 | 3,527,316 |
| Balance as at 31 December 2021 | 170,000,000 | 210,680,602 | 4,995,828 | (12,613,243) | 373,063,187 |

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

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

Thai Mui Corporation Public Company Limited and its subsidiaries

Cash flows statement

For the year ended 31 December 2021

(Unit: Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|---|------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | Note | 2021 | 2020 | 2021 | 2020 |
| Cash flows from operating activities | | | | | |
| Profit (loss) before tax | | (1,342,786) | (11,863,523) | 2,516,995 | (16,717,274) |
| Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities: | | | | | |
| Depreciation and amortisation | 14, 15, 19 | 19,393,032 | 18,653,357 | 17,727,076 | 17,675,263 |
| Allowance for expected credit losses (reversal) | 8 | (350,967) | 1,161,364 | (348,263) | 1,158,655 |
| Inventory reduction cost to net realisable value (reversal) | 10 | (1,511,131) | 554,195 | (1,511,131) | 554,195 |
| Provision for returned goods (reversal) | | - | (2,065,925) | - | (2,065,925) |
| Write-off withholding tax deducted at source | | - | 443,234 | - | - |
| Provision for long-term employee benefits | | 2,892,302 | 2,633,042 | 2,747,753 | 2,502,405 |
| Unrealised (gain) loss on exchange | | 380,376 | (11,656) | 380,376 | (11,656) |
| Loss on disposal of equipment | | 468 | 18,254 | - | 18,254 |
| Finance income | | (693,094) | (926,962) | (938,966) | (926,962) |
| Finance cost | | 6,439,460 | 7,418,163 | 4,608,988 | 5,987,458 |
| Profit from operating activities before changes in operating assets and liabilities | | 25,207,660 | 16,013,543 | 25,182,828 | 8,174,413 |
| Operating assets (increase) decrease | | | | | |
| Trade and other receivables | | (39,114,012) | (45,957,656) | (27,642,571) | 1,739,818 |
| Inventories | | (4,586,451) | 61,149,579 | (13,986,153) | 23,912,926 |
| Other current assets | | 230,380 | 2,096,243 | 98,543 | 1,428,800 |
| Other non-current assets | | 444,908 | 447,880 | 60,542 | (92,726) |
| Operating liabilities increase (decrease) | | | | | |
| Trade and other payables | | 10,609,745 | (199,030) | 10,892,864 | 604,309 |
| Other current liabilities | | 148,529 | 962,529 | 15,746 | - |
| Cash flows from operating activities | | (7,059,241) | 34,513,088 | (5,378,201) | 35,767,540 |
| Employee benefits paid during the year | | (160,454) | (196,987) | (160,454) | (196,987) |
| Cash paid for corporate income tax | | (1,004,147) | (898,327) | (438,731) | (312,962) |
| Net cash flows from (used in) operating activities | | (8,223,842) | 33,417,774 | (5,977,386) | 35,257,591 |

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

Thai Mui Corporation Public Company Limited and its subsidiaries

Cash flows statement (continued)

For the year ended 31 December 2021

(Unit: Baht)

| | | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|--------------|-------------------------------|--------------|
| | Note | 2021 | 2020 | 2021 | 2020 |
| Cash flows from investing activities | | | | | |
| (Increase) decrease in restricted bank deposits | | (252,778) | 234,036 | (252,778) | 234,036 |
| Increase in financial assets | | (124) | - | (60) | - |
| Cash paid for share incremental in subsidiary | | - | - | (7,000,000) | - |
| Acquisition of property, plant and equipment | 14 | (3,730,317) | (2,813,603) | (3,601,323) | (2,508,820) |
| Cash received from interest income | | 771,637 | 138,596 | 74,879 | 136,926 |
| Net cash flows used in investing activities | | (3,211,582) | (2,440,971) | (10,779,282) | (2,137,858) |
| Cash flows from financing activities | | | | | |
| Increase in short-term loans from financial institutions | | 27,447,606 | - | 27,447,606 | - |
| Cash paid to settle short-term loans from financial institutions | | (13,692,204) | - | (13,692,204) | - |
| Cash paid to long-term loan from financial institutions | 18 | (3,644,000) | (50,000) | - | - |
| Cash paid to settle short-term loans from related party | | - | - | - | (1,500,000) |
| Cash paid for principal and interest of lease liabilities | | (15,983,144) | (11,943,107) | (15,616,531) | (11,639,603) |
| Cash paid for interest expenses | | (6,427,363) | - | (4,493,185) | - |
| Net cash flows used in financing activities | | (12,299,105) | (11,993,107) | (6,354,314) | (13,139,603) |
| Net increase (decrease) in cash and cash equivalents | | (23,734,529) | 18,983,696 | (23,110,982) | 19,980,130 |
| Cash and cash equivalents at beginning of year | | 64,460,976 | 45,477,280 | 62,863,338 | 42,883,208 |
| Cash and cash equivalents at end of year | | 40,726,447 | 64,460,976 | 39,752,356 | 62,863,338 |

Supplement disclosures of cash flows information

Non-cash item

| | | | | |
|---|---------|-----------|---------|-----------|
| Increase in lease liability for land and building | 960,390 | 9,630,652 | 960,390 | 9,630,652 |
|---|---------|-----------|---------|-----------|

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

Thai Mui Corporation Public Company Limited and its subsidiaries**Notes to consolidated financial statements****For the year ended 31 December 2021****1. General information****1.1 The Company's general information**

Thai Mui Corporation Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in retail and wholesales of iron ware, wire rope saw and pipe and provides loop wire rope and equipment installation and inspection and plumbing contractor project and construction of a water quality improvement business for shrimp farm. The registered office of the Company is at 759 Chareonkrung Road, Taladnoi, Sumphantawong, Krung Thep Maha Nakhon. In addition, the Company's branches are as follows:

Branch 1 is located at 1620/4 Songvard Rd., Samphantawong, Samphantawong, Krung Thep Maha Nakhon.

Branch 2 is located at 1634-6 Songvard Rd., Samphantawong, Samphantawong, Krung Thep Maha Nakhon.

Branch 3 is located at 36/34 Moo.5 332 Rd., Tambon Plutaluang, Amphoe Sattaheep, Chonburi Province.

Branch 4 is located at 649 Vanich Rd., Samphantawong, Samphantawong, Krung Thep Maha Nakhon.

Branch 5 is located at 116/1 Moo.4, Soi Watmahawong, Poochaosamingprai Road, Tambon Samrong, Amphoe Phra Pradaeng, Samut Prakarn Province.

Branch 6 is located at 45/1 Moo.4 Tambon Samrong, Amphoe Phra Pradaeng, Samut Prakarn Province.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic has still slowed down the economic recovery and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Thai Mui Corporation Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

| Company's name | Nature of business | Country of incorporation | Percentage of shareholding | |
|--------------------------------------|---|--------------------------|----------------------------|-----------------|
| | | | 2021 Percent | 2020 Percent |
| Propoint Global Consultant Co., Ltd. | Providing elevator, crane inspection, iron ware and wire rope distribution, provide testing, technical analysis service, transportation | Thailand | 100 | 100 |
| Trend Asia Corporation Co., Ltd. | Distribution of equipment and machinery parts relating to environment and hire of a water quality improvement business for shrimp farm | Thailand | 77 | 70 |

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

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

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

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

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

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

4. Significant accounting policies

4.1 Revenue and expense recognition

Revenues from contracts with customers

The Group accounts for a contract with a customer when it has entered into an agreement between counter parties that creates enforceable rights and obligations. The Group has to identify its performance obligations and allocate a transaction price to each obligation on an appropriate basis.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, net of value added tax ("VAT"). Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time.

The Group principally earns revenue are as follows:

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Sales under financial lease agreements

Lease receivables have been recorded based on the contractual value. The difference between the contractual value and the value equivalent to the cash price of the products is recognised as revenue based on the units of production method over the lease term.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

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

4.3 Inventories

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

Project in progress is cost of project of which revenue has not yet been recognised. Project in progress is value at actual cost which are comprised the costs and fees of equipment, design and structure buildings and other expenses which directly related to projects.

4.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

4.5 Property, plant and equipment/Depreciation

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

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

| | | |
|--|---|--------------|
| Buildings | - | 20 years |
| Machinery and equipment | - | 5 - 20 years |
| Furniture, fixtures and office equipment | - | 3 - 5 years |
| Motor vehicles | - | 5 years |

Depreciation is included in determining income. No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.6 Borrowing costs

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

4.7 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

| | <u>Useful lives</u> |
|-------------------|---|
| Licences | 5 years |
| Patents | 10 years |
| Computer software | 5 years |
| Contractual right | Based on the physical unit-of-production method over their estimated commercial lives |

4.8 Leases

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

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

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

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

| | |
|-------------------------|--------------|
| Land and building | 2 - 20 years |
| Machinery and equipment | 10 years |
| Motor vehicles | 5 years |

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.9 Related party transactions

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

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

4.10 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.11 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.12 Employee benefits**Short-term employee benefits**

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

Post-employment benefits**Defined contribution plans**

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

4.13 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.14 Income tax

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

Current tax

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

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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

4.15 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost. The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

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

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

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

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

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Revenue from contracts with customers*Identification of performance obligations*

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Leases*Determining the lease term with extension and termination options – The Group as lessee*

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease classification - The Group as lessor

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Intangible assets

The initial recognition and measurement of intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

6. Related party transactions

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

(Unit: Thousand Baht)

| For the year ended 31 December | | | | | |
|---|----------------------|-------------|----------------------|-------------|---|
| | Consolidated | | Separate | | Transfer pricing policy |
| | financial statements | | financial statements | | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | |
| <u>Transactions with subsidiary companies</u> | | | | | |
| (eliminated from the consolidated financial statements) | | | | | |
| Sales of goods and service | - | - | 6,129 | 3,476 | With reference to market prices |
| Purchase of merchandise and service | - | - | 6,281 | 6,189 | With reference to market prices/ contract prices |
| Rental expenses | - | - | 2,012 | 2,079 | Contract prices |
| Interest income | - | - | 870 | 870 | 7.25 percent per annum |
| Interest expenses | - | - | 175 | 233 | 5.00 percent per annum |
| <u>Transactions with related companies</u> | | | | | |
| Sales of goods | 312 | 204 | 312 | 204 | With reference to market prices |
| Rental expenses | 9,656 | 8,490 | 9,656 | 8,490 | Contract prices |
| Other expenses | 2,623 | 3,337 | 2,623 | 3,337 | Contract prices |

The balances of the accounts as at 31 December 2021 and 2020 between the Company and those related companies are as follows:

| | Consolidated | | Separate | |
|---|----------------------|-------|----------------------|--------|
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Trade receivables - related parties (Note 8) | | | | |
| Subsidiary companies | - | - | 34,222 | 38,432 |
| Related companies | 96 | 115 | 96 | 115 |
| Total trade receivables - related parties | 96 | 115 | 34,318 | 38,547 |
| Other receivables - related parties (Note 8) | | | | |
| Subsidiary companies | - | - | 11,898 | 7,115 |
| Related companies | 3,088 | 3,088 | 3,088 | 3,088 |
| Subsidiary's shareholder and director | 29 | 29 | 29 | 29 |
| Total other receivables - related parties | 3,117 | 3,117 | 15,015 | 10,232 |
| Prepaid expenses - related parties (Note 8) | | | | |
| Related companies | 210 | 210 | 210 | 210 |
| Total prepaid expenses - related parties | 210 | 210 | 210 | 210 |
| Trade payables - related parties (Note 17) | | | | |
| Subsidiary companies | - | - | 14,975 | 13,070 |
| Related companies | 597 | 1,091 | 597 | 1,091 |
| Total trade payables - related parties | 597 | 1,091 | 15,572 | 14,161 |

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|-------|----------------------------------|-------|
| | 2021 | 2020 | 2021 | 2020 |
| <u>Other payables - related parties (Note 17)</u> | | | | |
| Related companies | 910 | 888 | 910 | 888 |
| Subsidiary's shareholder and director | 7,361 | 7,394 | 5,600 | 5,600 |
| Total other payables - related parties | 8,271 | 8,282 | 6,510 | 6,488 |
| <u>Accrued expenses - related parties (Note 17)</u> | | | | |
| Subsidiary companies | - | - | 132 | 29 |
| Related companies | 777 | 801 | 777 | 801 |
| Subsidiary's shareholder and director | 195 | 201 | - | - |
| Total accrued expenses - related parties | 972 | 1,002 | 909 | 830 |

Loans to related parties and loan from related parties

As at 31 December 2021 and 2020, the balance of loans between the Company and those related companies and the movement are as follows:

Short-term loan to related party

(Unit: Thousand Baht)

| | | Separate financial statements | | | |
|-------------------------------------|------------|--------------------------------------|-----------------|----------|--------------------------------------|
| Short-term loan to subsidiary | Related by | Balance as at 31 December 2020 | During the year | | Balance as at 31 December 2021 |
| | | | Increase | Decrease | |
| Trend Asia Corporation Co., Ltd. | Subsidiary | 12,000 | - | - | 12,000 |
| Total short-term loan to subsidiary | | 12,000 | - | - | 12,000 |

Short-term loan from related parties

(Unit: Thousand Baht)

| | | Consolidated financial statements | | | |
|---|----------------|--------------------------------------|-----------------|----------|--------------------------------------|
| Short-term loan from related parties (with no interest charged) | Related by | Balance as at 31 December 2020 | During the year | | Balance as at 31 December 2021 |
| | | | Increase | Decrease | |
| Subsidiary's director and shareholder | Related person | 3,450 | - | - | 3,450 |
| Subsidiary's shareholders | Related person | 775 | - | - | 775 |
| Total short-term loan from related parties | | 4,225 | - | - | 4,225 |

(Unit: Thousand Baht)

| | | Separate financial statements | | | |
|---------------------------------------|------------|-------------------------------|-----------------|----------|---------------|
| | | Balance as at | During the year | | Balance as at |
| Short-term loan from | | 31 December | | | 31 December |
| subsidiary | Related by | 2020 | Increase | Decrease | 2021 |
| Propoint Global | Subsidiary | | | | |
| Consultant Co., Ltd. | | 3,500 | - | - | 3,500 |
| Total short-term loan from subsidiary | | 3,500 | - | - | 3,500 |

Directors and management's benefits

For the years ended 31 December 2021 and 2020, the Group had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|------------------------------|----------------------|--------|----------------------|--------|
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Short-term employee benefits | 16,354 | 16,323 | 13,236 | 13,192 |
| Post-employment benefits | 1,066 | 1,062 | 949 | 951 |
| Total | 17,420 | 17,385 | 14,185 | 14,143 |

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 27.3 to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|--|----------------------|--------|----------------------|--------|
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Cash | 178 | 175 | 170 | 170 |
| Bank deposits | 40,385 | 64,123 | 39,419 | 62,530 |
| Fixed deposits with maturity of three-months | 163 | 163 | 163 | 163 |
| Total cash and cash equivalent | 40,726 | 64,461 | 39,752 | 62,863 |

As at 31 December 2021, bank deposits in saving accounts and fixed deposits carried interests between 0.01 to 0.13 percent per annum (2020: between 0.05 to 0.25 percent per annum).

8. Trade and other receivables

| | (Unit: Thousand Baht) | | | |
|---|-----------------------|---------|----------------------|---------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| <u>Trade receivables - related parties (Note 6)</u> | | | | |
| Aged on the basis of due dates | | | | |
| Not yet due | 30 | 7 | 266 | 93 |
| Past due | | | | |
| Up to 3 months | 66 | 66 | 4,368 | 66 |
| 3 - 6 months | - | 18 | 514 | 2,529 |
| 6 - 12 months | - | 24 | 868 | 24 |
| Over 12 months | - | - | 28,302 | 35,835 |
| Total trade receivables - related parties | 96 | 115 | 34,318 | 38,547 |
| <u>Trade receivables - unrelated parties</u> | | | | |
| Aged on the basis of due dates | | | | |
| Not yet due | 58,033 | 32,854 | 57,410 | 31,589 |
| Past due | | | | |
| Up to 3 months | 9,335 | 13,772 | 8,527 | 12,588 |
| 3 - 6 months | 462 | 268 | 398 | 268 |
| 6 - 12 months | 224 | 1,139 | 224 | 968 |
| Over 12 months | 6,069 | 5,081 | 5,972 | 4,975 |
| Total trade receivables - unrelated parties | 74,123 | 53,114 | 72,531 | 50,388 |
| Less: Allowance for expected credit losses | (6,101) | (6,452) | (6,004) | (6,352) |
| Total trade receivables - unrelated parties, net | 68,022 | 46,662 | 66,527 | 44,036 |
| Total trade receivables - net | 68,118 | 46,777 | 100,845 | 82,583 |
| <u>Other receivables</u> | | | | |
| Other receivables - related parties (Note 6) | 3,117 | 3,117 | 15,015 | 10,232 |
| Other receivables - unrelated parties | 24,130 | 21,695 | 22,342 | 19,952 |
| Prepaid expenses - related parties (Note 6) | 210 | 210 | 210 | 210 |
| Prepaid expenses - unrelated parties | 5,144 | 1,661 | 4,519 | 1,098 |
| Vat refundable | 7,741 | 7,745 | - | - |
| Total | 40,342 | 34,428 | 42,086 | 31,492 |
| Less: Allowance for expected credit losses | (6,639) | (6,639) | (6,639) | (6,639) |
| Total other receivables - net | 33,703 | 27,789 | 35,447 | 24,853 |
| Total trade and other receivables - net | 101,821 | 74,566 | 136,292 | 107,436 |

The normal credit term is 30 to 90 days

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

| | Consolidated financial statements | | (Unit: Thousand Baht) Separate financial statements | |
|--|--------------------------------------|---------------|---|---------------|
| | | | | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Beginning balance | 13,091 | 11,930 | 12,991 | 11,833 |
| Increase in provision for expected credit losses | (351) | 1,161 | (348) | 1,158 |
| Ending balance | <u>12,740</u> | <u>13,091</u> | <u>12,643</u> | <u>12,991</u> |

9. Lease receivables

Term of lease receivables are 5 years on average and payable installments, with interest charged based on unit of production throughout contracts. As at 31 December 2021 and 2020, lease receivables are as follows.

| | (Unit: Thousand Baht) | |
|---|-----------------------|-----------------|
| | <u>2021</u> | <u>2020</u> |
| Lease receivable | 74,044 | 61,912 |
| Less: current portion | <u>(17,697)</u> | <u>(14,158)</u> |
| Lease receivable - net of current portion | <u>56,347</u> | <u>47,754</u> |

10. Inventories

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | | |
|---------------------|-----------------------------------|---------|--|---------|-------------------|---------|
| | Cost | | Reduce cost to net realisable value | | Inventories - net | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Finished goods | 196,219 | 181,541 | (1,878) | (3,390) | 194,341 | 178,151 |
| Project in progress | 50,128 | 59,528 | - | - | 50,128 | 59,528 |
| Raw materials | 435 | 1,127 | - | - | 435 | 1,127 |
| Total | 246,782 | 242,196 | (1,878) | (3,390) | 244,904 | 238,806 |

(Unit: Thousand Baht)

| | Separate financial statements | | | | | |
|----------------|-------------------------------|-------------|--------------------|-------------|-------------------|-------------|
| | | | Reduce cost to net | | | |
| | Cost | | realisable value | | Inventories - net | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Finished goods | 196,219 | 181,541 | (1,878) | (3,390) | 194,341 | 178,151 |
| Raw materials | 435 | 1,127 | - | - | 435 | 1,127 |
| Total | 196,654 | 182,668 | (1,878) | (3,390) | 194,776 | 179,278 |

During the current year, the Group did not reduce cost of inventories (2020: recorded the reduces cost Baht 0.6 million) (The Company only: nil, 2020: recorded the reduces cost Baht 0.6 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 1.5 million (2020: nil) (The Company only: Baht 1.5 million, 2020: nil), and reduced the amount of inventories recognised as expenses during the year, since these finished goods were disposed.

As at 31 December 2021, the Group had an outstanding balance of project in progress amounting to Baht 51.5 million (2020: Baht 61.5 million) before profit eliminated from the consolidated financial statements. The project in progress has been financed with a loan from a financial institution. Borrowing costs amounting to Baht 2.9 million were capitalised during the year ended 31 December 2021 (2020: Baht 2.5 million). The rate of 5.125 percent per annum have been used to determine the amount of borrowing costs eligible for capitalisation (2020: 5.125 percent to 6.650 percent per annum).

11. Other financial current assets

As at 31 December 2021, the Group has other financial current assets (debt instruments at amortised cost) which were fixed deposits at a bank. The fixed deposits carried interest at 0.15 percent and 0.38 percent per annum and will be matured within 2021 (2020: 0.20 percent and 0.60 percent per annum).

12. Restricted bank deposits

As at 31 December 2021, restricted bank deposits were fixed deposits amounting to Baht 16.2 million (2020: Baht 15.9 million) that the Company has pledged with two banks to secure long-term loan from financial institutions of a subsidiary and to guarantee contractual performance and others, as described in Note 18 and Note 27.3 to the financial statements.

13. Investments in subsidiaries

13.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

| Company's name | Paid-up capital | | Shareholding percentage | | Cost | | (Unit: Thousand Baht) Dividend received during the years | |
|--------------------------------------|-----------------|--------|-------------------------|-------------------|--------|--------|---|------|
| | | | | | | | | |
| | 2021 | 2020 | 2021 (percent) | 2020 (percent) | 2021 | 2020 | 2021 | 2020 |
| Propoint Global Consultant Co., Ltd. | 17,000 | 17,000 | 100 | 100 | 17,000 | 17,000 | - | - |
| Trend Asia Corporation Co., Ltd | 14,000 | 7,000 | 77 | 70 | 34,800 | 27,800 | - | - |
| Total | | | | | 51,800 | 44,800 | - | - |

13.2 The meeting of the Board of Directors No.3/2019 of the Company passed a resolution approving the Company to invest in a water quality improvement business for shrimp farms through the acquisition of 175,000 ordinary shares of Trend Asia Corporation Co., Ltd., representing a 70% interest in that company, from its existing shareholders, totaling Baht 21.6 million. On 30 April 2019, the Company entered into an agreement to purchase ordinary shares of Trend Asia Corporation Co., Ltd. from the existing shareholders of that company in accordance with the resolution of the meeting of the Board of Director of the Company. The Company had made a partial payment for share subscription of Baht 16 million. The remainder of Baht 5.6 million for the acquisition of investment in subsidiary company is presented as share payable in the separate financial statements.

Subsequently on 20 April 2021, the existing shareholder filed a lawsuit against the Company with the Civil Court on the grounds that the Company failed to pay for the remaining share subscription, seeking a compensation with interest at 7.5% per annum totaling Baht 6.4 million. However, the Company's management believes that there will be no impact of such event because the existing shareholder failed to comply with the condition under Share Purchase Agreement. As result, the Company is unable to pay for such share subscription to the existing shareholder.

Therefore, the Company has not recorded the contingent liabilities for the interest in its books of account for the year ended 31 December 2021.

13.3 Under the Share Purchase Agreement as described in Note 13.2 to the financial statements, the Company agrees that the revenue after deducting expenses from complete and pending work, trade receivables, accrued revenue and work in process, which is related to the previous business (the procurements and the installation of Static Mixer), belongs to the existing shareholder. The existing shareholder is solely responsible for expenses and payables related to such business.

Subsequently, the subsidiary received a letter from a customer to dismantle and remove all works from the premises. The subsidiary notified the Contractor to proceed. In the year 2020, the dismantling and removal of the works were completed. From such event, there is a substantial doubt about uncollectibility of trade receivable and demand for damages.

The Group management believes that there will be no impact of such event because it is an obligation of the existing shareholder. The subsidiary will eliminate the transactions related to such business when the subsidiary can assure that there will be no impact of such event. However, the transactions related to the business were excluded from the consolidated financial statements for the year ended 31 December 2021 and 2020.

13.4 The new issuance of the subsidiary's share capital

On 30 June 2021, the Extraordinary General Meeting of Trend Asia Corporation Co., Ltd. No.1/2021 passed the resolutions to approve the increase in registered share capital from Baht 25 million to Baht 32 million through the issuance of 70,000 new ordinary shares with a par value of Baht 100 each. The Company purchased such new shares which caused to an increase in an interest in Trend Asia Corporation Co., Ltd., a subsidiary company, from 70% to 77%. The Company paid of Baht 7 million for the share subscription on 8 July 2021.

The subsidiary company registered the increase in share capital with the Ministry of Commerce on 22 July 2021.

16. Property, plant and equipment

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | | | Total |
|---|-----------------------------------|------------------------------------|-------------------------|--|----------------|--|---------|
| | Land | Buildings and building improvement | Machinery and equipment | Furniture, fixtures and office equipment | Motor vehicles | Assets under installation and under construction | |
| Cost amount: | | | | | | | |
| 1 January 2020 | 32,764 | 26,805 | 32,969 | 17,972 | 42,707 | 65 | 153,282 |
| Additions | - | 8 | 1,083 | 571 | 360 | 791 | 2,813 |
| Disposals | - | - | - | (306) | - | - | (306) |
| Transfers in (Transfer out) | - | 496 | 212 | 148 | - | (856) | - |
| 31 December 2020 | 32,764 | 27,309 | 34,264 | 18,385 | 43,067 | - | 155,789 |
| Additions | - | 21 | 2,473 | 884 | - | 353 | 3,731 |
| Transfer from right-of-use assets | - | - | - | - | 810 | - | 810 |
| Disposals | - | - | (6) | - | (9) | - | (15) |
| Transfers in (Transfer out) | - | 353 | - | - | - | (353) | - |
| 31 December 2021 | 32,764 | 27,683 | 36,731 | 19,269 | 43,868 | - | 160,315 |
| Accumulated depreciation: | | | | | | | |
| 1 January 2020 | - | 15,930 | 22,708 | 14,408 | 36,007 | - | 89,053 |
| Depreciation for the year | - | 1,385 | 1,876 | 1,462 | 1,042 | - | 5,765 |
| Depreciation on disposals | - | - | - | (288) | - | - | (288) |
| 31 December 2020 | - | 17,315 | 24,584 | 15,582 | 37,049 | - | 94,530 |
| Depreciation for the year | - | 1,438 | 2,123 | 1,153 | 445 | - | 5,159 |
| Depreciation on disposals | - | - | (6) | - | (9) | - | (15) |
| 31 December 2021 | - | 18,753 | 26,701 | 16,735 | 37,485 | - | 99,674 |
| Net book value: | | | | | | | |
| 31 December 2020 | 32,764 | 9,994 | 9,680 | 2,803 | 6,018 | - | 61,259 |
| 31 December 2021 | 32,764 | 8,930 | 10,030 | 2,534 | 6,383 | - | 60,641 |
| Depreciation for the year | | | | | | | |
| 2020 (Bah 2.2 million included in manufacturing cost, and the balance in selling and administrative expenses) | | | | | | | 5,765 |
| 2021 (Bah 2.4 million included in manufacturing cost, and the balance in selling and administrative expenses) | | | | | | | 5,159 |

(Unit: Thousand Baht)

| | Separate financial statements | | | | | | |
|---|-------------------------------|--|-------------------------------|---|-------------------|--|---------|
| | Land | Buildings and building improvement | Machinery and equipment | Furniture, fixtures and office equipment | Motor vehicles | Assets under installation and under construction | Total |
| Cost amount: | | | | | | | |
| 1 January 2020 | 32,764 | 26,586 | 32,045 | 16,504 | 38,782 | 65 | 146,746 |
| Additions | - | 8 | 817 | 533 | 360 | 791 | 2,509 |
| Disposals | - | - | - | (306) | - | - | (306) |
| Transfers in (Transfer out) | - | 496 | 212 | 148 | - | (856) | - |
| 31 December 2020 | 32,764 | 27,090 | 33,074 | 16,879 | 39,142 | - | 148,949 |
| Additions | - | 21 | 2,384 | 844 | - | 353 | 3,602 |
| Transfer from right-of-use assets | - | - | - | - | 810 | - | 810 |
| Transfers in (Transfer out) | - | 353 | - | - | - | (353) | - |
| 31 December 2021 | 32,764 | 27,464 | 35,458 | 17,723 | 39,952 | - | 153,361 |
| Accumulated depreciation: | | | | | | | |
| 1 January 2021 | - | 15,929 | 22,008 | 13,187 | 32,200 | - | 83,324 |
| Depreciation for the year | - | 1,376 | 1,808 | 1,321 | 1,043 | - | 5,548 |
| Depreciation on disposals | - | - | - | (288) | - | - | (288) |
| 31 December 2021 | - | 17,305 | 23,816 | 14,220 | 33,243 | - | 88,584 |
| Depreciation for the year | - | 1,428 | 2,016 | 1,075 | 445 | - | 4,964 |
| 31 December 2021 | - | 18,733 | 25,832 | 15,295 | 33,688 | - | 93,548 |
| Net book value: | | | | | | | |
| 31 December 2020 | 32,764 | 9,785 | 9,258 | 2,659 | 5,899 | - | 60,365 |
| 31 December 2021 | 32,764 | 8,731 | 9,626 | 2,428 | 6,264 | - | 59,813 |
| Depreciation for the year | | | | | | | |
| 2020 (Bah 2.2 million included in manufacturing cost, and the balance in selling and administrative expenses) | | | | | | | 5,548 |
| 2021 (Bah 2.4 million included in manufacturing cost, and the balance in selling and administrative expenses) | | | | | | | 4,964 |

As at 31 December 2021, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 74.5 million (2020: Baht 74.2 million) (the Company only: Baht 68.9 million, 2020: Baht 68.8 million).

As at 31 December 2021, the Company has pledged its land amounting to Baht 32.8 million (2020: Baht 32.8 million) as collateral against credit facilities received from financial institutions.

15. Intangible assets

The net book value of intangible assets as at 31 December 2021 and 2020 is presented below.

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | Separate financial statements | | |
|--------------------------------|-----------------------------------|----------------------|----------------------|---------|-------------------------------|----------------------|---------|
| | Patents and licenses | Computer software | Contractual right | Total | Patents and licenses | Computer software | Total |
| As at 31 December 2021 | | | | | | | |
| Cost | 3,214 | 616 | 43,482 | 47,312 | 3,187 | 616 | 3,803 |
| Less: Accumulated amortisation | (2,940) | (616) | (1,798) | (5,354) | (2,914) | (616) | (3,530) |
| Net book value | 274 | - | 41,684 | 41,958 | 273 | - | 273 |
| As at 31 December 2020: | | | | | | | |
| Cost | 3,214 | 616 | 43,482 | 47,312 | 3,186 | 616 | 3,802 |
| Less: Accumulated amortisation | (2,585) | (616) | (630) | (3,831) | (2,558) | (616) | (3,174) |
| Net book value | 629 | - | 42,852 | 43,481 | 628 | - | 628 |

A reconciliation of the net book value of intangible assets for the years 2021 and 2020 is presented below.

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------------|--------------------------------------|--------|----------------------------------|-------|
| | 2021 | 2020 | 2021 | 2020 |
| Net book value at beginning of year | 43,481 | 44,426 | 628 | 1,117 |
| Amortisation for the year | (1,523) | (945) | (355) | (489) |
| Net book value at end of year | 41,958 | 43,481 | 273 | 628 |

16. Short-term loans from financial institutions

(Unit: Thousand Baht)

| | Interest rate (percent per annum) | | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------|--------------------------------------|--------|----------------------------------|--------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Promissory notes | MLR-1% | MLR-1% | 20,000 | 32,000 | 20,000 | 32,000 |
| Trust receipt | 2.1 - 2.5 | - | 25,755 | - | 25,755 | - |
| Total short-term loans from financial institutions | | | 45,755 | 32,000 | 45,755 | 32,000 |

17. Trade and other payables

| | (Unit: Thousand Baht) | | | |
|---|-----------------------|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Trade payables - related parties (Note 6) | 597 | 1,091 | 15,572 | 14,161 |
| Trade payables - unrelated parties | 45,960 | 41,769 | 44,790 | 41,646 |
| Other payables - related parties (Note 6) | 8,271 | 8,282 | 6,510 | 6,488 |
| Other payables - unrelated parties | 3,341 | 3,444 | 2,897 | 3,387 |
| Accrued expenses - related parties (Note 6) | 972 | 1,002 | 909 | 830 |
| Accrued expenses - unrelated parties | 10,862 | 7,363 | 9,915 | 6,666 |
| Vat payable | 1,511 | 984 | 1,369 | 802 |
| Dividend payable | 888 | 888 | 888 | 888 |
| Total trade and other payables | <u>72,402</u> | <u>64,823</u> | <u>82,850</u> | <u>74,868</u> |

18. Long-term loan from financial institution/current portion of long-term loan

The detail of long-term loans from financial institutions as at 31 December 2021 and 2020 are summarised below:

| | (Unit: Thousand Baht) | |
|---|-----------------------------------|---------------|
| | Consolidated financial statements | |
| | 2021 | 2020 |
| Long-term loans from financial institution | 67,116 | 70,760 |
| Less: current portion | (21,852) | (12,584) |
| Long-term loans from financial institution - net of current portion | <u>45,264</u> | <u>58,176</u> |

Movement in the long-term loans account the year ended 31 December 2021 and 2020 are summarised below.

| | (Unit: Thousand Baht) | |
|--------------------------|-----------------------------------|---------------|
| | Consolidated financial statements | |
| | 2021 | 2020 |
| Beginning balance | 70,760 | 70,810 |
| Less: Repayment | (3,644) | (50) |
| Ending balance | <u>67,116</u> | <u>71,760</u> |

During the year 2019, a subsidiary entered into a credit facility agreement with a financial institution, with total credit facility of Baht 125 million. The long-term loan facility of Baht 71 million was drawn down by the subsidiary. The loan bears interest at the rate of MLR per annum throughout the loan period and the principal is repayable with interest on a monthly basis in 50 installments. The first installment with an interest was paid in September 2019.

During the year 2020, the Subsidiary entered into a revised memorandum with the bank to extend the repayment period of such loan with January 2025 and to change the interest rate from MLR per annum to MLR - 1.00 percent per annum from July 2020 onwards.

During the year 2021, the Subsidiary entered into a revised memorandum with the bank to revise the installment of such loan to Baht 1.82 million per month from December 2021 onwards.

The credit facilities of the Subsidiary were guaranteed by a fixed deposit of the Company as described in Note 12 and Note 27.3 to the financial statements, and the transfer of the subsidiary's collection right under the agreements between the subsidiary and a company.

The loan agreement contains several covenants which, among other things, require the Subsidiary to maintain debt service coverage ratio and debt-to-equity ratio at the rate prescribed in the agreements.

As at 31 December 2021, the long-term credit facility of the subsidiary that has not been drawn down amounted to Baht 45 million (2020: Baht 54 million).

19. Leases

19.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 2 to 20 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

| | Consolidated financial statements | | | |
|---|-----------------------------------|-----------|----------------|----------|
| | Land and building | Machinery | Motor vehicles | Total |
| As at 1 January 2020 | 42,683 | 7,220 | 11,819 | 61,722 |
| Increase | 9,630 | - | - | 9,630 |
| Depreciation for the year | (8,185) | (794) | (2,964) | (11,943) |
| As at 31 December 2021 | 44,128 | 6,426 | 8,855 | 59,409 |
| Increase | 961 | - | 1,752 | 2,713 |
| Transfer to fixed assets - net book value | - | - | (810) | (810) |
| Depreciation for the year | (9,051) | (794) | (2,867) | (12,712) |
| As at 31 December 2021 | 36,038 | 5,632 | 6,930 | 48,600 |

(Unit: Thousand Baht)

Separate financial statements

| | Land and building | Machinery | Motor vehicles | Total |
|---|-------------------|-----------|----------------|----------|
| As at 1 January 2020 | 42,683 | 7,220 | 10,509 | 60,412 |
| Increase | 9,630 | - | - | 9,630 |
| Depreciation for the year | (8,185) | (794) | (2,661) | (11,640) |
| As at 31 December 2020 | 44,128 | 6,426 | 7,848 | 58,402 |
| Increase | 961 | - | 1,752 | 2,713 |
| Transfer to fixed assets - net book value | - | - | (810) | (810) |
| Depreciation for the year | (9,051) | (794) | (2,563) | (12,408) |
| As at 31 December 2021 | 36,038 | 5,632 | 6,227 | 47,897 |

b) Lease liabilities

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|----------|-------------------------------|----------|
| | 2021 | 2020 | 2021 | 2020 |
| Lease payments | 70,207 | 83,267 | 69,993 | 82,686 |
| Less: Deferred interest expenses | (22,687) | (25,899) | (22,684) | (25,880) |
| Total | 47,520 | 57,368 | 47,309 | 56,806 |
| Less: Portion due within one year | (11,858) | (12,015) | (11,647) | (11,684) |
| Lease liabilities - net of current portion | 35,662 | 45,353 | 35,662 | 45,142 |

A maturity analysis of lease payments is disclosed in Note 28.3 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|--------|-------------------------------|--------|
| | 2021 | 2020 | 2021 | 2020 |
| Depreciation expense of right-of-use assets | 12,712 | 11,943 | 12,408 | 11,640 |
| Interest expense on lease liabilities | 3,298 | 519 | 3,282 | 489 |
| Expense relating to short-term leases | 3,198 | 1,186 | 1,186 | 3,265 |
| Expense relating to leases of low-value assets | 20 | 20 | 20 | 20 |

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 17.2 million (2020: Baht 13.1 million), including the cash outflow related to short-term lease and leases of low-value assets.

19.2 Group as a lessor

The Company has entered into operating leases for office for rent which the lease terms are between 1 and 10 years.

As at 31 December 2021, the Company has future minimum rentals receivable under non-cancellable operating leases amounting to Baht 0.2 million (2020: Baht 0.2 million).

During 2021, the Company has sub-lease income amounting to Baht 0.2 million (2020: Baht 0.2 million).

20. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

| | (Unit: Thousand Baht) | | | |
|---|-----------------------|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Provision for long-term employee benefits at beginning of year | 16,237 | 14,541 | 15,386 | 13,847 |
| Included in profit or loss: | | | | |
| Current service cost | 2,666 | 2,437 | 2,531 | 2,318 |
| Interest cost | 227 | 195 | 217 | 184 |
| Included in other comprehensive income: | | | | |
| Actuarial (gain) loss arising from | | | | |
| Demographic assumptions changes | - | 677 | - | 677 |
| Financial assumptions changes | - | 862 | - | 818 |
| Experience adjustments | - | (2,278) | - | (2,261) |
| Benefits paid during the year | (161) | (197) | (161) | (197) |
| Provision for long-term employee benefits at end of year | <u>18,969</u> | <u>16,237</u> | <u>17,973</u> | <u>15,386</u> |

The Group expects to pay Baht 0.96 million of long-term employee benefits during the next year (2020: Baht 0.73 million) (the Company only: Baht 0.96 million (2020: Baht 0.73 million)).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 6.74 - 7.42 years (2020: 6.74 - 7.42 years) (the Company only: 7.42 years (2020: 7.42 years)).

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

| | Consolidated financial statements | | Separate financial statements | |
|----------------------|-----------------------------------|-------------|-------------------------------|--------|
| | 2021 | 2020 | 2021 | 2020 |
| Discount rate | 1.41 - 1.56 | 1.41 - 1.56 | 1.41 | 1.41 |
| Salary increase rate | 5 | 5 | 5 | 5 |
| Turnover rate | 0 - 31 | 0 - 31 | 0 - 31 | 0 - 31 |

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

(Unit: million Baht)

| | 2021 | | | |
|----------------------|-----------------------------------|-------------|-------------------------------|-------------|
| | Consolidated financial statements | | Separate financial statements | |
| | Increase 1% | Decrease 1% | Increase 1% | Decrease 1% |
| Discount rate | (1.41) | 1.62 | (1.34) | 1.54 |
| Salary increase rate | 1.68 | (1.49) | 1.59 | (1.41) |
| Turnover rate | (1.53) | 1.08 | (1.45) | 1.01 |

(Unit: million Baht)

| | 2020 | | | |
|----------------------|-----------------------------------|-------------|-------------------------------|-------------|
| | Consolidated financial statements | | Separate financial statements | |
| | Increase 1% | Decrease 1% | Increase 1% | Decrease 1% |
| Discount rate | (1.23) | 1.42 | (1.18) | 1.34 |
| Salary increase rate | 1.31 | (1.16) | 1.25 | (1.11) |
| Turnover rate | (1.34) | 0.95 | (1.27) | 0.89 |

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

22. Expenses by nature

Significant expenses classified by nature are as follows:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|-------------|----------------------|-------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Purchase of merchandise | 195,152 | 124,213 | 198,290 | 123,019 |
| Salaries and wages and other employee benefits | 82,768 | 82,667 | 71,886 | 71,597 |
| Depreciation | 19,394 | 18,653 | 17,727 | 17,675 |
| Consultant fee | 3,894 | 4,500 | 6,894 | 7,500 |
| Rental fee | 1,186 | 1,186 | 1,186 | 1,186 |

23. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

| | (Unit: Thousand Baht) | | | |
|---|-----------------------|--------------|----------------------|--------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Current income tax: | | | | |
| Current income tax charge | 261 | 293 | - | - |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | (833) | (1,166) | (1,010) | (748) |
| Income tax income reported in profit or loss | <u>(572)</u> | <u>(873)</u> | <u>(1,010)</u> | <u>(748)</u> |

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|-------------|----------------------|-------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Deferred tax on actuarial gains (losses) | - | 148 | - | 153 |
| | <u>-</u> | <u>148</u> | <u>-</u> | <u>153</u> |

The reconciliation between accounting profit (loss) and income tax expense is shown below.

| | (Unit: Thousand Baht) | | | |
|---|--------------------------------------|-------------|----------------------------------|-------------|
| | Consolidated financial statements | | Separate financial statements | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Accounting loss before tax | (1,343) | (11,864) | 2,517 | (16,717) |
| Applicable tax rate | 20% | 20% | 20% | 20% |
| Accounting loss before tax multiplied by income tax rate | (269) | (2,373) | 503 | (3,343) |
| Effects of: | | | | |
| Non-deductible expenses | 1,401 | 584 | 170 | 492 |
| Addition expense deduction allowed | (709) | (1,798) | (691) | (631) |
| Utilisation of tax loss carry forward | (1,049) | - | (1,046) | - |
| Others | - | (20) | - | - |
| Total | (357) | (1,234) | (1,567) | (139) |
| Deferred tax assets not recognised | 54 | 2,734 | 54 | 2,734 |
| Income tax income reported in profit or loss | (572) | (873) | (1,010) | (748) |

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

| | (Unit: Thousand Baht) | | | |
|--|--------------------------------------|-------------|----------------------------------|-------------|
| | Statements of financial position | | | |
| | Consolidated financial statements | | Separate financial statements | |
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Deferred tax assets | | | | |
| Allowance for expected credit losses | 1,273 | 1,090 | 1,254 | 1,070 |
| Allowance for diminution in value of inventories | 376 | 678 | 376 | 678 |
| Unused tax losses | 737 | 1,042 | - | - |
| Provision for long-term employee benefits | 3,794 | 3,247 | 3,595 | 3,077 |
| Lease | 858 | 654 | 858 | 654 |
| Others | 1,164 | 891 | 797 | 391 |
| Total | 8,202 | 7,602 | 6,880 | 5,870 |
| Deferred tax liabilities | | | | |
| Contractual right | (8,337) | (8,570) | - | - |
| Total | (8,337) | (8,570) | - | - |

As at 31 December 2021, the Company has deductible temporary differences and unused tax losses totaling Baht 12.0 million (2020: Baht 13.7 million), on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses. Such unused tax losses will expire by 2024.

24. Profit (loss) per share

Basic profit (loss) per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

25. Segment information

For management purposes, the Group is organised into business units based on its products and services and have two reportable segments as follows:

- Sale and services
Sales of wire rope and lifting equipment including replacement and installation and provide technical inspection, testing and analysis equipment.
- Projects
The project segment consists of a water quality assessment through the Ultrafiltration system and the ozone system for shrimp farms.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the year ended 31 December 2021 and 2020.

(Unit: Thousand Baht)

| | For the year ended 31 December | | | | | | Consolidated financial | |
|---|--------------------------------|-----------|----------|---------|-----------------------------|----------|------------------------|-----------|
| | Sales and services | | Projects | | Adjustments and eliminating | | statements | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenue from sales, services | | | | | | | | |
| Revenue from external customers | 350,918 | 328,226 | - | - | - | - | 350,918 | 328,226 |
| Revenue from related parties | 11,940 | 9,171 | 2,194 | 2,578 | (14,134) | (11,454) | - | 295 |
| Cost of sales and services | (220,060) | (207,432) | (2,827) | (3,461) | 3,693 | 2,977 | (219,194) | (207,916) |
| Gross profit | 142,798 | 129,965 | (633) | (883) | (10,441) | (8,477) | 131,724 | 120,605 |
| Other income | | | | | | | 3,923 | 922 |
| Selling and distribution expenses | | | | | | | (38,363) | (31,971) |
| Administrative expenses | | | | | | | (92,187) | (94,002) |
| Finance cost | | | | | | | (6,439) | (7,418) |
| Income tax income | | | | | | | 572 | 873 |
| Non-controlling interests of the subsidiaries | | | | | | | 1,272 | (1,199) |
| Profit (loss) for the year | | | | | | | 502 | (12,190) |

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---|----------------------|---------|----------------------|---------|
| | financial statements | | financial statements | |
| | 2021 | 2020 | 2021 | 2020 |
| Timing of revenue recognition: | | | | |
| Revenue recognised at a point in time | 350,918 | 328,521 | 322,573 | 268,276 |
| Revenue recognised over time | - | - | 2,194 | 2,578 |
| Total revenue from contracts with customers | 350,918 | 328,521 | 324,767 | 270,854 |

Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customer

For the year 2021 and 2020, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

26. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 2 percent of basic salary. The fund, which is managed by TISCO provident fund, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to approximately Baht 1.7 million (2020: Baht 1.7 million) were recognised as expenses.

27. Commitments and contingent liabilities

The Group has commitments and contingent liabilities other than those disclosed in other notes as follows:

27.1 Operating lease commitments

The Group has entered into several lease agreements in respect of office building space and motor vehicles. The terms of the agreements are generally between 1 and 10 years.

As at 31 December 2021, future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

| | (Unit: Million Baht) | |
|-----------------------------|--|-------------|
| | Consolidated/ Separate financial statements | |
| | <u>2021</u> | <u>2020</u> |
| Payable: | | |
| In up to 1 year | 1.2 | 1.2 |
| In over 1 and up to 5 years | 0.1 | 0.1 |
| In over 5 years | 0.1 | 0.1 |

27.2 Service commitments

The Company entered into service agreements with various companies with respect to consultation, security and other services related to the Company's business. The term of the service agreements was not over 1 year. The Company is obliged to pay a monthly fixed service fees at the rates as stipulated in the agreements.

As at 31 December 2021, the Company has future minimum payments required under these service agreements amounting to Baht 3.9 million (2020: Baht 4.4 million).

27.3 Guarantees

As at 31 December 2021, the Company has outstanding guarantees as follows.

- (a) The Company has guaranteed bank credit facility of its subsidiary amounting to Baht 125 million (2020: Baht 125 million).
- (b) The Company has bank guarantees of Baht 15 million (2020: Baht 15 million) issued by bank on behalf of the Company in respect of credit facility of its subsidiary as described in Note 18 to the financial statements.
- (c) The Company has bank guarantees of Baht 0.3 million (2020: Baht 0.3 million) issued by bank on behalf of the Company in respect of contractual performance, among others.

27.4 Litigation

On 24 March 2021, a company ("Plaintiff") filed a lawsuit against the Company with the Civil Court on the grounds that the Company failed to pay for the products, seeking a compensation with interest at 7.5% per annum totaling Baht 0.5 million.

Subsequently on 23 April 2021, the Company testified in the Court that it ordered products from such company to resell to its customer but has not paid for the products because such company did not send the products according to requirements of the Company's customer. The Company's customer was unable to use the products and requested to return them as a result. Such company has sent wrong products.

However, on 29 November 2021, the Company paid for the product therefore the Plaintiff requested to withdrawn the case and finally, the Court ordered to dismiss this case.

28. Financial instruments

Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

28.1 Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, contract assets, loans, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables and contract assets

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and contract assets are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, the Group considers the value of outstanding trade receivables and write off trade receivables that are past due more than one year or subjected to enforcement activity in case debt collection process by the Group is final.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

28.2 Market risk

There are two types of market risk comprising interest rate risk and currency risk.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its bank overdrafts and short and long-term loans. The Group's financial assets and liabilities which have bear floating interest rates or fixed interest rates which are close to the market rate. As at 31 December 2021 and 2020, the Group's exposure to interest rate changes is not material.

The Group manages its interest rate risk by obtain variety sources of funds which bear fixed or floating interest rate at appropriate level.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

| Consolidated financial statements | | | | | | | |
|--|----------------------|-----------|--------------|------------------------|----------------------|--|-------------|
| As at 31 December 2021 | | | | | | | |
| | Fixed interest rates | | | | | Effective interest rate (% per annum) | |
| | Within 1 year | 1-5 years | Over 5 years | Floating interest rate | Non-interest bearing | | Total |
| | | | | | | | |
| Financial assets | | | | | | | |
| Cash and cash equivalent | - | - | - | 40.55 | 0.18 | 40.73 | 0.01 - 0.13 |
| Trade and other receivables | - | - | - | - | 101.82 | 101.82 | - |
| Restricted bank deposits | - | - | - | 16.17 | - | 16.17 | 0.20 |
| | - | - | - | 56.72 | 102.00 | 158.72 | |
| Financial liabilities | | | | | | | |
| Bank overdrafts and short-term loans from financial institutions | - | - | - | 45.76 | - | 45.76 | 2.1 - MLR-1 |
| Trade and other payables | - | - | - | - | 72.40 | 72.40 | - |
| Short-term loans from related parties | - | - | - | - | 4.23 | 4.23 | - |
| Long-term loans | - | - | - | 67.12 | - | 67.12 | MLR-1 |
| | - | - | - | 112.88 | 76.63 | 189.51 | |

(Unit: Million Baht)

| Consolidated financial statements | | | | | | | |
|--|-----------|--------------|------------------------|----------------------|-------|--|-------------|
| As at 31 December 2020 | | | | | | | |
| Fixed interest rates | | | | | | Effective interest rate (% per annum) | |
| Within 1 year | 1-5 years | Over 5 years | Floating interest rate | Non-interest bearing | Total | | |
| | | | | | | | |
| Financial assets | | | | | | | |
| Cash and cash equivalent | - | - | - | 64.28 | 0.18 | 64.46 | 0.05 - 0.25 |
| Trade and other receivables | - | - | - | - | 74.57 | 74.57 | - |
| Restricted bank deposits | - | - | - | 15.92 | - | 15.92 | 0.20 - 0.25 |
| | - | - | - | 80.20 | 74.75 | 154.95 | |
| Financial liabilities | | | | | | | |
| Bank overdrafts and short-term loans from financial institutions | - | - | - | 32.00 | - | 32.00 | MLR-1 |
| Trade and other payables | - | - | - | - | 69.82 | 69.82 | - |
| Short-term loans from related parties | - | - | - | - | 4.23 | 4.23 | - |
| Long-term loans | - | - | - | 70.76 | - | 70.76 | MLR-1 |
| | - | - | - | 102.76 | 74.05 | 176.81 | |

(Unit: Million Baht)

| Separate financial statements | | | | | | | |
|-------------------------------------|------------------|--------------|-----------------|---------------------------|--------------------------|--------|---|
| As at 31 December 2021 | | | | | | | |
| Fixed interest rates | | | | | | | |
| | Within 1 year | 1-5 years | Over 5 years | Floating interest rate | Non- interest bearing | Total | Effective interest rate (% per annum) |
| <u>Financial assets</u> | | | | | | | |
| Cash and cash equivalent | - | - | - | 39.58 | 0.17 | 39.75 | 0.01 - 0.13 |
| Trade and other receivables | - | - | - | - | 136.29 | 136.29 | - |
| Short-term loans to related parties | 12.00 | - | - | - | - | 12.00 | 7.25 |
| Restricted bank deposits | - | - | - | 16.17 | - | 16.17 | 0.20 |
| | 12.00 | - | - | 55.75 | 136.46 | 204.21 | |
| <u>Financial liabilities</u> | | | | | | | |
| Bank overdrafts and short-term | | | | | | | |
| loans from financial institutions | - | - | - | 45.76 | - | 45.76 | 2.1 - MLR-1 |
| Trade and other payables | - | - | - | - | 82.85 | 82.85 | - |
| Short-term loans from related | | | | | | | |
| parties | 3.50 | - | - | - | - | 3.50 | 5.00 |
| | 3.50 | - | - | 45.76 | 82.85 | 132.11 | |

(Unit: Million Baht)

| Separate financial statements | | | | | | | |
|-------------------------------------|--------------|-----------------|---------------------------|--------------------------|--------|---|-------------|
| As at 31 December 2020 | | | | | | | |
| Fixed interest rates | | | | | | | |
| Within 1 year | 1-5 years | Over 5 years | Floating interest rate | Non- interest bearing | Total | Effective interest rate (% per annum) | |
| <u>Financial assets</u> | | | | | | | |
| Cash and cash equivalent | - | - | - | 62.69 | 0.17 | 62.86 | 0.05 - 0.25 |
| Trade and other receivables | - | - | - | - | 107.44 | 107.44 | - |
| Short-term loans to related parties | 12.00 | - | - | - | - | 12.00 | 7.25 |
| Restricted bank deposits | - | - | - | 15.92 | - | 15.92 | 0.20 - 0.25 |
| | 12.00 | - | - | 78.61 | 107.61 | 198.22 | |
| <u>Financial liabilities</u> | | | | | | | |
| Bank overdrafts and short-term | | | | | | | |
| loans from financial institutions | - | - | - | 32.00 | - | 32.00 | MLR-1 |
| Trade and other payables | - | - | - | - | 74.87 | 74.87 | - |
| Short-term loans from related | | | | | | | |
| parties | 3.50 | - | - | - | - | 3.50 | 5.00 |
| | 3.50 | - | - | 32.00 | 74.87 | 110.37 | |

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies.

As at 31 December 2021 and 2020, the balances of financial liabilities denominated in foreign currencies are summarised below.

| Foreign currency | Consolidated | | Separate | | Exchange rate as at | |
|------------------------------|----------------------|-----------|----------------------|-----------|------------------------------------|---------|
| | financial statements | | financial statements | | | |
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | (Million) | (Million) | (Million) | (Million) | (Baht per 1 foreign currency unit) | |
| Financial liabilities | | | | | | |
| USD | 0.2 | 0.2 | 0.1 | 0.1 | 33.5929 | 30.2068 |
| EUR | 0.1 | 0.1 | 0.1 | 0.1 | 38.2813 | 37.2578 |

Foreign currency sensitivity

As at 31 December 2021 and 2020, the Group's exposure to foreign currency changes is not material.

28.3 Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans and lease contracts. The Group has assessed the concentration of risk with respect to refinancing its debt and conclude it to be low. The Group has access to sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with exiting lender.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

| | (Unit: Thousand Baht) | | | | |
|---------------------------------------|-----------------------------------|------------------|--------------|-----------|---------|
| | Consolidated financial statements | | | | |
| | As at 31 December 2021 | | | | |
| | On demand | Less than 1 year | 1 to 5 years | > 5 years | Total |
| Non-derivatives | | | | | |
| Bank overdrafts and short-term loans | | | | | |
| from financial institutions | - | 45,755 | - | - | 45,755 |
| Trade and other payables | - | 72,402 | - | - | 72,402 |
| Short-term loans from related parties | - | 4,225 | - | - | 4,225 |
| Lease liabilities | - | 11,858 | 35,662 | - | 47,520 |
| Long-term loans | - | 21,852 | 45,264 | - | 67,116 |
| Total | - | 156,092 | 80,926 | - | 237,018 |

(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2020

| | On demand | Less than 1 year | 1 to 5 years | > 5 years | Total |
|---------------------------------------|--------------|---------------------|-----------------|-----------|---------|
| Non-derivatives | | | | | |
| Bank overdrafts and short-term loans | | | | | |
| from financial institutions | - | 32,000 | - | - | 32,000 |
| Trade and other payables | - | 71,705 | - | - | 71,705 |
| Short-term loans from related parties | - | 4,225 | - | - | 4,225 |
| Lease liabilities | - | 12,015 | 45,353 | - | 57,368 |
| Long-term loans | - | 12,584 | 58,176 | - | 70,760 |
| Total | - | 135,529 | 103,529 | - | 236,058 |

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2021

| | On demand | Less than 1 year | 1 to 5 years | > 5 years | Total |
|---------------------------------------|--------------|---------------------|-----------------|-----------|---------|
| Non-derivatives | | | | | |
| Bank overdrafts and short-term loans | | | | | |
| from financial institutions | - | 45,755 | - | - | 45,755 |
| Trade and other payables | - | 82,850 | - | - | 82,850 |
| Short-term loans from related parties | - | 3,500 | - | - | 3,500 |
| Lease liabilities | - | 11,647 | 35,662 | - | 47,309 |
| Total derivatives | - | 143,752 | 35,662 | - | 179,414 |

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2020

| | On demand | Less than 1 year | 1 to 5 years | > 5 years | Total |
|---------------------------------------|--------------|---------------------|-----------------|-----------|---------|
| Non-derivatives | | | | | |
| Bank overdrafts and short-term loans | | | | | |
| from financial institutions | - | 32,000 | - | - | 32,000 |
| Trade and other payables | - | 74,868 | - | - | 74,868 |
| Short-term loans from related parties | - | 3,500 | - | - | 3,500 |
| Lease liabilities | - | 11,664 | 45,142 | - | 56,806 |
| Total derivatives | - | 122,032 | 45,142 | - | 167,174 |

28.4 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

29. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2021, the Group's debt-to-equity ratio was 0.70:1.00 (2020: 0.67:1) and the Company's was 0.53:1.00 (2020: 0.50:1).

30. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2022.

Part 4

Information Authentication

Authentication of data

Issuing company

Executive committee of the company or the person with the highest management position in the accounting field.

“I have reviewed the information in this annual registration statement (56-1). And with care as the executive committee of the company or the person with the highest management position in the accounting field. I certify that the above information is accurate, complete, not false, and does not cause misunderstanding to others. Or lacking essential information that should be disclosed. In addition, I certify that

- 1) Financial statements and financial information that make up part of the annual information disclosure form. Has presented accurate and complete information regarding the financial status Performance And cash flow of the company and subsidiaries.
- 2) I'm responsible for arranging the company Have good disclosure systems. To ensure that the company Disclosed the significant information of the company and its subsidiaries correctly and completely. Including overseeing the implementation of the said system.
- 3) I am responsible for arranging the company Have good internal control system and oversee the implementation of the said system. And I have informed the auditor of the company and the audit committee of the internal control system as of 31 December 2020 to the auditor and the audit committee of the company. Which covers defects and significant changes in the internal control system. Including any illegal actions that may affect the preparation of the company's financial reports and subsidiaries.

For this purpose, as proof that all documents are the same set of documents that I have certified. I have assigned Mr. Tchakorn Leelaprachakul or Mrs. Sarinrath Leelaprachakul or Mrs. Sunee Jantarotorn to sign this document on every page. If any documents don't have the signature of Mr. Tchakorn Leelaprachakul or Mrs. Sarinrath Leelaprachakul or Mrs. Sunee Jantarotorn. I shall consider that it isn't the information that I have certified above.

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

| Name | Position | Signature |
|------------------------------------|---|--|
| 1. Mr. Tchakorn Leelaprachakul | Director / Chief Executive Officer | - <u>Mr. Tchakorn Leelaprachakul</u> - |
| 2. Mrs. Sarinrath Leelaprachakul | Executive Committee / Chief Financial Officer / Accounting Director | - <u>Mrs. Sarinrath Leelaprachakul</u> - |
| 3. Mrs. Sunee Jantarotorn | Executive Committee / Chief Operating Officer | - <u>Mrs. Sunee Jantarotorn</u> - |
| 4. Mr. Arkarapol Leelaprachakul | Director / Vice president Bangkok Sales and Marketing Department | - <u>Mr. Arkarapol Leelaprachakul</u> - |
| 5. Mr. Ekbordin Leelaprachakul | Director / Assistant vice president of Special Product Sales | - <u>Mr. Ekbordin Leelaprachakul</u> - |

Attorney

| Name | Position | Signature |
|-----------------------------------|---|--|
| 1. Mr. Tchakorn Leelaprachakul | Director / Chief Executive Officer | - <u>Mr. Tchakorn Leelaprachakul</u> - |
| 2. Mrs. Sarinrath Leelaprachakul | Executive Committee / Accounting Director / Accounting Director | - <u>Mrs. Sarinrath Leelaprachakul</u> - |
| 3. Mrs. Sunee Jantarotorn | Executive Committee / Chief Operating Officer | - <u>Mrs. Sunee Jantarotorn</u> - |

Authentication of data

Non-executive directors of the company

“I have reviewed the information contained in this registration statement and the draft prospectus. And with care as a company director, I have no reason to believe that the information is inaccurate, complete, or false. Make others important wrong or lack of material information that should be disclosed.

For this purpose, as evidence that all documents are the same set of documents that I have reviewed. And there is no reason to suspect that the said information is incorrect, complete or false. Make others important wrong or lack of material information that should be disclosed. I have assigned Mr. Tchakorn Leelaprachakul or Mrs. Sarinrath Leelaprachakul or Mrs. Sunee Jantarotorn to sign all documents on this page. If any documents don't have the signature of Mr. Tchakorn Leelaprachakul or Mrs. Sarinrath Leelaprachakul or Mrs. Sunee Jantarotorn. I will consider that it isn't the information that I have reviewed above.”

| Name | Position | Signature |
|---|--|--|
| 1. Mr. Pitipat Thitasirinant | Independent Director / Chairman of the Board / Chairman of the Audit Committee / Chairman of the Nomination and Remuneration Committee | - <u>Mr. Pitipat Thitasirinant</u> - |
| 2. Mr. Kulawachara Bhurichayawarodom | Independent Director / Chairman of Risk Management Committee / Director / Audit Committee | - <u>Mr. Kulawachara Bhurichayawarodom</u> - |
| 3. Ms. Duenpun Lilavivat | Director / Risk Management Committee / Nomination and Remuneration Committee | - <u>Ms. Duenpun Lilavivat</u> - |
| 4. Mrs. Smorn Terdthampiboon | Independent Director / Director / Audit Committee | - <u>Mrs. Smorn Terdthampiboon</u> - |

Attorney

| Name | Position | Signature |
|-------------------------------------|---|--|
| 1. Mr. Tchakorn Leelaprachakul | Director / Chief Executive Officer | - <u>Mr. Tchakorn Leelaprachakul</u> - |
| 2. Mrs. Sarinrath Leelaprachakul | Executive Committee / Accounting Director / Accounting Director | - <u>Mrs. Sarinrath Leelaprachakul</u> - |
| 3. Mrs. Sunee Jantarotorn | Executive Committee / Chief Operating Officer | - <u>Mrs. Sunee Jantarotorn</u> - |

Attachment

Attachment 1

Attachment 1

Details of Directors, Executives, Persons with Controlling Authority and company secretary

| Name – Surname position | Age (years) | Educational qualifications / Training history | Shareholding in the company | Family relationship between directors and executives | work experience | | | |
|---|----------------|---|-----------------------------------|--|------------------------|---|---|---|
| | | | | | period | position | Name of organization/company | business type |
| Mr. Pitipat Thitasirinant Chairman of the Board of Directors, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, Independent Director | 62 | - Bachelor of Arts, Bangkok University - Director Accreditation Program (DAP), Class 127/2016 | - | - | June 2017 - present | Chairman of the Board of Directors, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, Independent Director | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2019 - present | Chief Executive Officer Marketing Department | Aqua Corporation Public Company Limited | Advertising company activities |
| | | | | | 2015 - present | Marketing Director | Board Way Media Company Limited | Advertising company activities |
| | | | | | 2016 – Jun 2017 | Director | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |
| Mr. Kulawachara Bhurichayawarodom Director, Chairman of Risk Management Committee, Audit Committee, Independent Director | 41 | - Master's Degree in Economics, University of Illinois at Urbana- Champaign, USA - Bachelor of Business Studies, Kasetsart University | - | - | Jun 2017 - present | Director, Chairman of the Risk Management Committee, Audit Committee, Independent Director | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2014 - Present | Chairman of the Executive Committee | Quinni B (Thailand) Company Limited | Hotels, Resorts and Suites |

| Name – Surname position | Age (years) | Educational qualifications / Training history | Shareholding in the company | Family relationship between directors and executives | work experience | | | |
|--|----------------|--|-----------------------------------|--|---------------------|--|--|--|
| | | | | | period | position | Name of organization/company | business type |
| | | - Director Accreditation Program (DAP), Class 127/2016 - Corporate Governance for Executives 2013 | | | 2014 - Present | Executive Director | Konoige-Sotus Japanese Grill Company Limited | Food service in restaurants/restaurants |
| | | | | | 2011 - present | Executive Director | AI Rise Global Traders Company Limited | Wholesale of rice and products obtained from rice mills |
| | | | | | 2009 - present | Executive Chairman | The Original Farm Company Limited | Food service in restaurants/restaurants |
| | | | | | Jan 2016 - Jun 2017 | Director | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2020 - present | Director, Audit Committee, Independent Director | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| Mrs. Smorn Terdthampiboon Director, Audit Committee, Independent Director | 61 | - Master of Commerce (Business Administration) Thammasat University - Bachelor of Science (Statistics), Chiang Mai University - Director Certification Program (DCP), Class 223/2016 | - | - | 2016 - 2019 | President and Director | Thailand Post Company Limited | postal activities |
| | | | | | 2016 - 2019 | Director | Thailand Post Distribution Company Limited | Transportation and unloading of goods including passengers |
| | | | | | 2008 - 2015 | Senior Executive Vice President Finance and Accounting and Chief Financial Officer (CFO) | Thailand Post Company Limited | postal activities |
| | | | | | 2010 - 2015 | Acting Executive Vice President Information Technology Division | Thailand Post Company Limited | postal activities |
| | | | | | | | | |

| Name – Surname position | Age (years) | Educational qualifications / Training history | Shareholding in the company | Family relationship between directors and executives | work experience | | | |
|---|----------------|--|-----------------------------------|--|--------------------|--|---|--|
| | | | | | period | position | Name of organization/company | business type |
| Ms. Duenpun Lilavivat Director, Risk Management Committee, Nomination and Remuneration Committee | 46 | - MS in Finance, University of Denver, USA - BSBA in Finance and Economics, University of South Carolina, USA - Director Accreditation Program (DAP), Class 137/2017 | - | - | Feb 2017 - present | Director, Risk Management Committee, Nomination and Remuneration Committee | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2018 - Present | Manager Director | Pioneer Advisory Company Limited | Investment advisory service |
| | | | | | 2012 - present | Director | DC Grand Company Limited | Buying and selling non-owned real estate for a residence |
| | | | | | 2016 - present | Director | DC Quality Company Limited | Buying and selling non-owned real estate for a residence |
| | | | | | 2015 - present | Director | DC Square Company Limited | Food service in restaurants/restaurants |
| | | | | | 2015 - present | Director | Vista Grand Company Limited | Buying and selling non-owned real estate for a residence |
| | | | | | 2012 - Present | Director | Sichon Karnsila 2003 Company Limited | Activities that support mining and other quarrying |
| | | | | | Jun 2017 - Present | Chief Executive Officer | Ferrum Public Company Limited | Wholesale of telephones and telecommunication equipment |
| | | | | | Jan 2017 - present | President | Ferrum Public Company Limited | Wholesale of telephones and telecommunication equipment |
| | | | | | Jun - Dec 2016 | Managing Director of Accounting and Finance | Ferrum Public Company Limited | Wholesale of telephones and telecommunication equipment |

| Name – Surname position | Age (years) | Educational qualifications / Training history | Shareholding in the company | Family relationship between directors and executives | work experience | | | |
|--|----------------|---|-----------------------------------|--|-------------------|---|--|---|
| | | | | | period | position | Name of organization/company | business type |
| Mr. Tchakorn Leelaprachakul Director, Nomination and Remuneration Committee, Risk Management Committee, Chief Executive Officer | 42 | - Master of Science, Logistics, Wollongong University, Australia - Bachelor of Business Administration, Marketing, Assumption University - Director Accreditation Program (DAP), Class 127/2016 | 6.07% | - Spouse of Mrs. Sarinrath Leelaprachakul - The elder brother of Ms. Narida Leelaprachakul - The elder brother of Mr. Arkapol Leelaprachakul - The elder brother of Mr. Ekbordin Leelaprachakul - The elder brother of Mr. Krid Leelaprachakul | 2012 - 2016 | Senior Vice President, Investment Banking Department | RHB Securities (Thailand) Public Company Limited | Brokerage activities |
| | | | | | 2017 - present | Director, Nomination and Remuneration Committee Risk Management Committee, Chief Executive Officer | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2011 - present | Managing Director | Propoint Global Consultants Company Limited | Physical and Chemical Operations Testing and Analysis |
| | | | | | 2011 - present | Director | Solar Max Supply Company Limited | Power generation and transmission |
| | | | | | 2011 - present | Director | Solar Max Power Company Limited | Power generation and transmission |
| | | | | | 2011 - present | Director | Solar Max Energy Company Limited | Power generation and transmission |
| | | | | | 2011 - present | Director | Solis Power Energy Company Limited | Power generation and transmission |
| | | | | | 2011 - present | Director | Thai Yang Power Energy Company Limited | Power generation and transmission |
| | | | | | 2011 - present | Director | VOA Enterprise Company Limited | Wholesale of machinery and other equipment not elsewhere classified |
| | | | | | | | | |

| Name – Surname position | Age (years) | Educational qualifications / Training history | Shareholding in the company | Family relationship between directors and executives | work experience | | | |
|--|----------------|---|-----------------------------------|---|-------------------|---|---|---|
| | | | | | period | position | Name of organization/company | business type |
| | | | | | 2010 - 2017 | Chief Operating Officer and Director | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |
| Mr. Arkarapol Leelaprachakul Director, Vice President of Bangkok Sales and Marketing Department | 39 | - Bachelor of Science and Technology, Assumption University - Director Accreditation Program (DAP), Class 141/2017 | 6.07% | - The younger brother of Mr. Tchakorn Leelaprachakul - The younger brother of Ms. Narida Leelaprachakul - The older brother of Mr. Ekborderin Leelaprachakul The older brother of Mr. Krid Leelaprachakul | 2017 - present | Director, Vice President of Bangkok Sales and Marketing Department | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2010 - 2017 | Deputy General Manager for Sales and Marketing | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |
| Mr. Ekborderin Leelaprachakul Director, Assistant Vice President of Special Product Sales | 34 | - Bachelor of Arts in Tourism, Huachiew Chalermprakiet University - Director Accreditation Program (DAP), Class 143/2017 - Inspection and selection of slings and professional lifting equipment, the Engineering Institute of Thailand under HM the King's Patronage | 6.07% | - The younger brother of Mr. Tchakorn Leelaprachakul - The younger brother of Ms. Narida Leelaprachakul - The younger brother of Mr. Arkarapol Leelaprachakul - The older brother of Mr. Krid Leelaprachakul | 2017 - present | Director, Assistant Vice President of Special Product Sales | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2010 - 2017 | Assistant Vice President of Special Sales | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |

| Name – Surname position | Age (years) | Educational qualifications / Training history | Shareholding in the company | Family relationship between directors and executives | work experience | | | |
|---|----------------|--|-----------------------------------|---|-----------------------------|---|---|---|
| | | | | | period | position | Name of organization/company | business type |
| | | <ul style="list-style-type: none"> - In-depth engineering for installation and inspection of tower cranes, the Engineering Institute of Thailand under HM the King's Patronage - Personnel development to be a crane / crane inspector, the Engineering Institute of Thailand under HM the King's Patronage - Techniques for being a speaker on crane, Safety and Health at Work Promotion Association (Thailand) | | | | | | |
| Mrs. Sarinrath Leelaprachakul Chief Financial Officer, Acting Vice President of Accounting Department | 43 | <ul style="list-style-type: none"> - Master of Science, Logistics, Wollongong University, Australia - Bachelor of Business Administration, Marketing, Assumption University | - | <ul style="list-style-type: none"> - Spouse of Mr. Tchakorn Leelaprachakul | June 2017 - present | Chief Financial Officer, Acting Vice President of Accounting Department | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2011 - present | Deputy General Manager of Finance | Propoint Global Consultants Company Limited | Physical and Chemical Operations Testing and Analysis |
| | | | | | 2010 - Jun 2017 | Chief Financial Officer | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |
| Mrs. Sunee Jantarotorn Chief operating officer | 50 | <ul style="list-style-type: none"> - Bachelor's degree in accounting management, Kasem Bundit University | - | - | 30 Apr 2019 - present | Director | Trend Asia Corporation Company Limited | Other supply and distribution of water not elsewhere classified |

| Name – Surname position | Age (years) | Educational qualifications / Training history | Shareholding in the company | Family relationship between directors and executives | work experience | | | |
|---|----------------|--|-----------------------------------|---|--------------------------|---|--|---|
| | | | | | period | position | Name of organization/company | business type |
| | | - Tax law and tax accounting - Becoming a professional accountant - Company Secretary Program (CSP), Class 81/2017 | | | 12 May 2021 - present | Chief operating officer | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | Jun 2017 – 11 May 2021 | Vice President of Accounting Department, Company Secretary | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | Aug 2013 - present | Director | Thai Yo Power Energy Company Limited | Power generation and transmission |
| | | | | | 2013 - Jun 2017 | Accounting and Finance Manager | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 25 Feb 2019 - present | Vice President of Finance Department | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| Ms. Narida Leelaprachakul Vice President of Finance Department | 41 | Bachelor of Arts Assumption University | 6.07% | - The younger sister of Mr. Tchakorn Leelaprachakul - The older sister of Mr. Arkarapol Leelaprachakul - The older sister of Mr. Ekbordin Leelaprachakul - The older sister of Mr. Krid Leelaprachakul | 1 Jul 2017 - 24 Feb 2019 | Manager of Finance Department. Paying Finance Department | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 1 Dec 2010 - 30 Jun 2017 | Assistant Deputy General Manager of Finance, Finance Department | Thai Mui Trading Corporation Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 1 Oct 2010 - 30 Nov 2010 | Finance Manager Assistant Finance Department | Thai Mui Trading Corporation Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 1 Jun 2008 - 30 Sep 2010 | Financial staff financial department | Thai Mui Trading Corporation Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | | | | |

| Name – Surname position | Age (years) | Educational qualifications / Training history | Shareholding in the company | Family relationship between directors and executives | work experience | | | |
|---|----------------|--|-----------------------------------|--|--------------------------------|---|--|---|
| | | | | | period | position | Name of organization/company | business type |
| | | | | | 1 Dec 2005 - 31 May 2008 | Inventory management staff, Purchasing department | Thai Mui Trading Corporation Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| Mr. Thanapong Sakulpipat Vice President of Purchasing Department | 41 | - Master's degree in International Business, University of International Business and Economics Bachelor of Business Administration, Assumption University - ISO 9001:2015 | - | - | 30 Apr 2019 - present | Director | Trend Asia Corporation Company Limited | Other supply and distribution of water not elsewhere classified |
| | | | | | Jun 2017 - present | Director of Purchasing | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2011 - Jun 2017 | Purchasing Manager | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |
| Mr. Roengsak Kaewsa-ard Vice President of Sattahip Sales Department | 43 | - Bachelor's degree in Industrial Education Mechanical Engineering, King Mongkut's University of Technology Thonburi - Training ISO 9001: 2015 (TUV NORD) - Offshore Lifting Equipment Standard (Germanischer Lloyd) - Fundamentals of Rigging and Heavy Lift (Crosby) - Inspection and selection of slings and standard lifting equipment / THAI LAW, ASME, ASTM, ISO, EN, JIS | - | - | 4 Jul 2019 - present | Director | Trend Asia Corporation Company Limited | Other supply and distribution of water not elsewhere classified |
| | | | | | Feb. 2018 - present | Vice President of Sattahip Sales Department | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | Jun 2017 - Feb 2018 | Sattahip branch manager | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2011 to Jun 2017 | Sattahip branch manager | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |

| Name – Surname position | Age (years) | Educational qualifications / Training history | Shareholding in the company | Family relationship between directors and executives | work experience | | | |
|---|----------------|---|-----------------------------------|--|------------------------------|--|--|---|
| | | | | | period | position | Name of organization/company | business type |
| Mr. Krid Leelaprachakul Assistant Vice President of Marketing and Information | 31 | (The Engineering Institute of Thailand Under H.M. The King's Patronage) - Master of Science in Investment Management, University of Reading, United Kingdom - Bachelor of Engineering in Computer and Network Engineering, Assumption University, Bangkok | 6.07% | - The younger brother of Mr. Tchakorn Leelaprachakul - The younger brother of Ms. Narida Leelaprachakul - The younger brother of Mr. Arkapol Leelaprachakul The younger brother of Mr. Ekborin Leelaprachakul | | | | |
| | | | | | 25 Feb 2019 - present | Assistant Vice President of Marketing and Information | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | Mar 2018 - 24 Feb 2019 | Marketing Manager | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | Jan 2016 - Feb 2018 | Financial officer | Lee and Sun Holding Company Limited | Other service activities related to real estate by receiving Compensation or contract |
| | | | | | Aug 2014 - Aug 2015 | Investment Consultant | Phillip Securities (Thailand) Public Company Limited | brokerage activities |
| Mrs. Wanna Kijsonwang Sale Showroom Department | 63 | - Bachelor's degree in business administration, general management, Sukhothai Thammathirat Open University | - | - | July 2014 | Sales representative | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | Apr 2011 - Jun 2014 | Information staff | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | Jun 2017 - present | Sale Showroom Department | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2013 - Jun 2017 | Sale Showroom Department | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |

| Name - Surname position | Age (years) | Educational qualifications / Training history | Shareholding in the company | Family relationship between directors and executives | work experience | | | |
|---|----------------|---|-----------------------------------|--|-----------------------------|-------------------|---|---|
| | | | | | period | position | Name of organization/company | business type |
| Mr. Amnat Muangcharoen Factory Manager | 57 | - Bachelor's degree in business administration, general management, Sukhothai Thammathirat Open University | - | - | Jun 2017 - present | Factory Manager | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |
| | | | | | 2013 - Jun 2017 | Factory Manager | Thai Mui Trading Corporation Limited | Wholesale of basic iron, steel and non-ferrous metals |
| Ms. Pailin Sriwilai Company Secretary | 31 | - Master's degree Master of Business Administration Huachiew Chalermprakiet University - Bachelor's degree Faculty of Business Administration business computer branch Huachiew Chalermprakiet University | - | - | 12 May 2021 - present | Company Secretary | Thai Mui Corporation Public Company Limited | Wholesale of basic iron, steel and non-ferrous metals |

Attachment 2

Attachment 2

Details of the directors of the subsidiary

Information on holding positions of directors and executives of the Company in subsidiaries

As of December 31, 2021, the Company has 2 subsidiaries as follows:

1. ProPoint Global Consultants Company Limited

| No. | List of Directors and Executives | List of Subsidiaries |
|-----|----------------------------------|---|
| | | ProPoint Global Consultants Company Limited |
| 1 | Mr. Tchakorn Leelaprachakul | II, D |
| 2 | Mrs. Sarinrath Leelaprachakul | M |

2. Trend Asia Corporation Company Limited

| No. | List of Directors and Executives | List of Subsidiaries |
|-----|----------------------------------|--|
| | | Trend Asia Corporation Company Limited |
| 1 | Mrs. Sunee Jantarotorn | II |
| 2 | Mr. Thanapong Sakulpipat | II |
| 3 | Mr. Roengsak Kaewsa-ard | II |

Note

- I = Chairman of the Board
- II = Director
- III = Independent Director
- IV = Chairman of the Audit Committee
- V = Audit Committee
- VI = Chief Executive Officer
- VII = Executive Director
- C = Chief Executive Officer
- D = Managing Director
- M = Executive

Attachment 3

Attachment 3

Details about the company's internal audit supervisor

The Board of Directors Meeting No. 5/2020 held on November 13, 2020 resolved to establish the Company's internal control audit committee instead of the former internal auditor (Dharmniti Internal Audit Company Limited). hired to the company Dharmniti Internal Audit Co., Ltd. is a consultant to audit the internal control system in 2021. The Audit Committee of the Company's internal control system is as follows:

| list | | position |
|------|----------------------------------|--|
| 1 | Khun Sunee Jantarotorn | Chief Operating Officer |
| 2 | Khun Arkapol Leelaprachakul | Vice President of Bangkok Sales & Marketing Department |
| 3 | Khun Narida Leelaprachakul | Vice President of Finance Department |
| 4 | Khun Thanapong Sakulpipat | Vice President of Purchasing Department |
| 5 | Khun Roengsak Kaewsard | Vice President of Sattahip Sales Department |
| 6 | Khun Ekbordin Leelaprachakul | Assistant Vice President of Special Product Sales |
| 7 | Khun Krid Leelaprachakul | Assistant Vice President of Marketing |
| 8 | Khun Amnat Muangcharoen | Factory Manager |
| 9 | Khun Wanna kjsomwang | Sale Showroom Dept. |
| 10 | Khun Valeerat Homsuwan | Welfare & Administration Sec. Mgr. |
| 11 | Khun Pongkrit Tamsoonthornpanich | Information Technology Sec. Mgr. |
| 12 | Khun Prawit Toratan | Manager of Sales and Product Inspection/Install PPG |
| 13 | Khun Pongpipat Tadchang | Safety officer at professional level |

Consultant for Internal Control Audit, Year 2021

The company has appointed a company Internal Audit Dharmniti Company Limited (“Dharmniti”) is a service provider of internal control audit consulting and Dharmniti has assigned Ms. Patchira Mingkwan to be an internal control audit consultant. The details of the internal control audit consultant in 2021 are as follows:

Ms. Patchira Mingkwan

Position Assistant Manager (Deputy Director) Internal Audit Dharmniti Company Limited

Age 37 years old

Educational qualifications

- Bachelor's degree, Faculty of Accounting Management Accounting Information Systems (AIS), Prince of Songkla University

Certificate - Certificate of Internal Auditor of Thailand (CPIAT)

- Training**
- Internal Audit Training Program To prepare to be an International Certified Internal Auditor (Pre CIA)
 - CIA Part II Training Program
 - Theoretical and practical COSO 2013 course
 - Internal control course for companies preparing to list on the stock exchange
 - International Standards for Professional Practice of Internal Auditing
 - IT Audit course
 - Corruption investigation and investigation course
 - Thailand's Private Sector Collective Action Coalition Against Corruption Project
 - Project to maintain and improve the internal audit quality of the unit
 - Asian Confederation of Institutes of Internal Auditors conference 2018

Shareholding Proportion (Percent) - None -

Family relationship between directors and executives - None -

Work experience

| Time Period | Position | Company Name | Business Type |
|--------------------|-------------------------------------|--|---|
| Jun 2016 - Present | Assistant Manager (Deputy Director) | Dharmniti Internal Audit Company Limited | Providing internal audit services |
| 2011 - 2016 | Head of Plan (Manager) | Dharmaniti Auditing Company Limited | Providing audit and internal audit services |
| 2009 - 2010 | Senior Internal Auditor | Dharmaniti Auditing Company Limited | Providing audit and internal audit services |
| 2007 - 2008 | Internal Auditor | Dharmaniti Auditing Company Limited | Providing audit and internal audit services |

Attachment 4

Attachment 4

Assets used in business operations and details of property appraisals

Assets used in business

Can be viewed from the page 31

Details about the property evaluation list

| Appraised property | Assessor | Assessment date | Objective evaluation | Price |
|---|-----------------------------------|-----------------|---|--|
| 1. Head office building <u>Property location</u> No. 759 Charoen Krung Road, Talat Noi, Samphanthawong, Bangkok With an area rented 34 square meters in a 5-story commercial building type with mezzanine <u>Assessment method</u> Comparison Approach <u>Holder</u> Excellent Buy & Sell Company Limited <u>Mortgage obligations</u> Without | UK Valuations and Agency Co., Ltd | 9 Aug 2016 | To determine the "market rental fee of property according to current use" and to be listed on the stock exchange. | The rental rate of the Headquarters Building was 282,450 baht per month and the rental fee was increased every 3 years by an increase of not more than 10 percent from the previous rental rate. |
| 2. Warehouses and high-rise offices <u>Property location</u> No. 116/1 Soi Thaworn, Pu Chao Samingphrai Road, Samrong, Phra Pradaeng, Samut Prakan With the land divided by the owner of the land 2 rai 0 ngan 87.5 square wah, there is a high warehouse for one floor and have a single-story office Which is used as a meeting room, office, hall and bathroom <u>Assessment method</u> Comparison Approach <u>Holder</u> | UK Valuations and Agency Co., Ltd | 1 Aug 2016 | To determine the "market rental fee of property according to current use" and to be listed on the stock exchange. | The rental fee is 200,640 baht per month and is increased by every 3 years for an increase of not more than 10 percent from the previous rental rate. |

Note :

1. Thai Mui Corporation Public Company Limited has purchased land from Lee and Sun Holding Company Limited and received the ownership transfer on June 16, 2017 by buying and selling the land at a price of 25,000 baht per square wah which is lower than the official appraisal price is 26,000 baht per square wah. Therefore, it has made an agreement to cancel the rent in the said section. And no rental payment has been paid since the date of ownership transfer and now the company has mortgaged the said land to secure a loan with Krung Thai Bank Public Company Limited.

Note : 1. Thai Mui Corporation Public Company Limited has purchased land from Lee and Sun Holding Company Limited and received the ownership transfer

Attachment 5

Attachment 5

Corporate Governance Policy and Practice and detailed business ethics

Corporate Governance Policy

Can be viewed from the page 65

business ethics

Code of Conduct for Directors, Executives and Employees

Thai Mui Corporation Public Company Limited expects its directors, executives, and employees to perform their duties under an ethical framework or perform duties with honesty, transparency, fairness, prudence, and caution for the maximum benefit of the sustainable business operations of the Company and its stakeholders as well as being a good role model for general employees as follows:

1. Code of Conduct for Company Directors and Executives

The performance of duties of directors and executives in addition to their responsibilities to the company. and shareholders also have a responsibility to customers stakeholders and other related persons as well Therefore, considering the common interests of all such individuals. Therefore, it is a guideline for all practices. They must act as follows:

- 1.1. Perform duties in accordance with the law, rules, objectives, and articles of association of the Company. as well as the resolutions of the shareholders' meeting including the principles of good corporate governance.
- 1.2. Perform duties to the best of their ability Adhere to honesty, integrity, integrity, transparency, and accountability. Manage work with prudence and caution for the benefit of all stakeholders as well as maintain a good image of the company.
- 1.3. Perform duties with impartiality independent from all parties and must not have personal interests involved in business operations, either directly or indirectly.
- 1.4. Must not have any interest in any business that competes with the Company whether directly or indirectly.
- 1.5. Perform duties by avoiding personal conflicts of interest with the interests of the Company. for the management to be transparent and effective the above benefits include.
 - 1.5.1 Not seeking unlawful benefits from performing duties for oneself or others whether directly or indirectly.
 - 1.5.2 Not misusing company secrets and does not disclose the company's confidential information or documents. even if the position has been retired or has ended.
 - 1.5.3 Not being a director in a company that is a competitor of the company.
 - 1.5.4 There is no benefit or interest from the contract of the company. and does not create obligations that may conflict with their duties later.
 - 1.5.5 Not accepting things, assets or any other benefits which is contrary to the interests of the company For personal and family benefits, such as entertainment, gifts, tickets, other tickets, leisure offers, hospitality or personal offers, etc.
- 1.1 Maintain confidential information and documents of the Company. not to be leaked to unrelated persons which may cause damage to the company or stakeholders except in the case of law.
- 1.2 Company directors, executives and their families must not be shareholders. or receive benefits from competitors or any business including vendors/sellers who may have conflicts of interest with the Company However, if the shares of such companies, businesses or persons listed on the stock exchange It is considered a purchase of shares of a company listed on the stock exchange. or investment through funds or investment units are not a conflict of interest if they do not affect the Company's operations.

- 1.3 Company Directors, Executives do not act in any manner that is to manage or manage anything in other companies that affect the interests of the Company. or favoring any person or juristic person, whether for the benefit of oneself or that of others.

2. Code of Conduct

Code of Conduct for Employees It is a guideline for conducting in conjunction with work regulations, rules, orders, and announcements of Thai Mui Corporation Public Company Limited, with the aim of all employees being able to do it effectively. happy to work Develop and enhance a team culture Satisfying Stakeholders By considering equality and honesty in business operations Employees should have guidelines as follows:

- 2.1 Employees should perform their duties with honesty, perseverance, and diligence. study for knowledge for self-development and improve work efficiency This is for the benefit of oneself and the company.
- 2.2 Employees should strictly abide by the laws, policies, work rules and regulations, orders, and announcements of the Company.
- 2.3 Employees should respect, obey, and obey the orders of the supervisors who have given orders in accordance with the company's policies and regulations.
- 2.4 Employees should have solidarity with each other. generous helping each other Commitment to working as a team Respect the rights and respect each other not create conflict This is for the benefit of oneself and the company.
- 2.5 Employees should avoid accepting any gifts. that might make themselves feel uncomfortable in performing duties in the future If unavoidable, notify the supervisor immediately.
- 2.6 Employees do not use their position or benefits from work duties seeking personal benefits or their party or doing business in competition with the Company.
- 2.7 Employees should treat customers and business partners with manners. good-natured friendly service and maintain the image and reputation of the company.
- 2.8 Employees must strictly maintain the confidentiality of customers, business partners and the organization. Do not disclose information to individuals Insiders or persons without related duties and not seeking benefits for themselves and those involved from position and confidential information of the Company.
- 2.9 Employees are required to report matters that may affect the Company's operations or reputation. notify the supervisor without delay.
- 2.10 Employees should maintain and take care of their benefits. and the Company's assets to be in good condition can be utilized to the fullest without wasting, wasted, damaged, or deteriorated prematurely.
- 2.11 Employees should conduct themselves within the framework of good morals. Refrain from conduct that is disgraceful, indecent, gambling, drugs of all kinds. Do not act as a person with heavy debts or doing any act that affects the performance or reputation of oneself and the company.
- 2.12 Employees should behave as good citizens. according to constitutional law and related laws using political rights appropriately Avoid getting involved in illegal activities. or contrary to public order good morals of the people.
- 2.13 Employees should perform their duties with a sense of responsibility and considering the impact on health Society and environment are important.

Code of Conduct towards Stakeholders

1. Practices and Responsibilities towards Shareholders

- 1.1 Perform duties with honesty and decide to take any action in good faith and is fair to both major and minor shareholders and for the benefit of the group involved as a whole.
- 1.2 Manage the company's business to have progress, stability and generate suitable returns for shareholders.
- 1.3 Perform duties with competence and caution as those with knowledge, experience, and expertise.
- 1.4 Report on the status and performance of the company to shareholders equally, consistently, and completely according to reality.
- 1.5 Do not disclose the company's confidential information. To others wrongly do not take any action. in a manner that may cause a conflict of interest with the Company.

2. Practices and Responsibilities towards Employees

- 2.1 Provide appropriate compensation based on knowledge, ability, responsibility, and the performance of each employee.
- 2.2 Appointment and Transfer Including rewarding and punishing employees must be done with equality, good faith and based on knowledge, ability, and appropriateness. including action or the conduct of that employee.
- 2.3 Treat employees with kindness and justice, take care and give importance to development knowledge transfer and ability of employees by giving employees thorough and consistent opportunities.
- 2.4 Comply with the law and regulations strictly related to employees.
- 2.5 Always maintain the working environment to be safe for the life, health, body, and property of the employees.
- 2.6 Promote the participation of employees in setting the direction of work and solving the problems of the company.
- 2.7 Receive opinions and suggestions from employees at all levels equally and equitably.
- 2.8 Treat employees based on human dignity. and respect for individual rights.

3. Practices and Responsibilities towards Customers

- 3.1 Comply with contracts, agreements, or conditions towards customers if it is unable to comply, must negotiate with customers in advance. to jointly find solutions and prevent damage.
- 3.2 Determined to create satisfaction and confidence for customers to receive excellent quality service. under appropriate safety and technology as well as raising the standard to a higher level continuously and seriously.
- 3.3 Disclosure of information about the service completely, accurately, and timely and does not distort the facts including maintaining good and lasting relationships.
- 3.4 Organize customer service system Allow customers to complain of dissatisfaction and take action to respond quickly to their needs.
- 3.5 Proceed with the cost as reasonable as possible. while maintaining the quality of service that meets the standards.
- 3.6 Paying attention to keeping confidential information of customers seriously and consistently. and do not use such information for the benefit of oneself and those involved.
- 3.7 Not asking, not accepting, or giving any benefit dishonest with customers.

4. Practices and Responsibilities towards Partners

- 4.1 Comply with any contract, agreement, or conditions towards partners if it is unable to comply, it is necessary to negotiate with business partners in advance. to jointly find solutions and prevent damage.
- 4.2 Treat business partners equally and fairly and is based on obtaining fair returns for both parties.
- 4.3 Not asking, not accepting, or giving any dishonest benefits to business partners.

5. Practices and Responsibilities towards Creditors

- 5.1 Comply with any contract, agreement, or conditions towards the creditor if it is unable to comply, it is necessary to negotiate with creditors in advance. to jointly find solutions and prevent damage.
- 5.2 Regularly report accurate, complete, and timely financial information to creditors.
- 5.3 Not asking, not accepting, or giving any benefits dishonest with creditors.

6. Practices and Responsibilities towards Competitors

- 6.1 Behave within the framework of good competition rules.
- 6.2 Not seeking confidential information of competitors by dishonest means. or inappropriate.
- 6.3 Not destroying the reputation of competitors with a malicious accusation without the truth.

7. Practices and Responsibilities towards Society and Environment

- 7.1 Pay attention to community and social activities by focusing on the development of society, community, environment, focus on creation and conservation of natural resources. including supporting activities public interest.
- 7.2 Cultivate a sense of social responsibility and the environment to occur in the company and employees at all levels continuously.
- 7.3 Cooperate and control to strictly comply with the intent of the law and related regulations.
- 7.4 Quick response and effective against events that affect the environment and the community. due to the Company's operations by fully cooperating with government officials and related agencies.
- 7.5 Adhering to democracy and encouraging employees to exercise their right to vote under the constitution.

Attachment 6

Attachment 6

Report of the Board of Directors' Responsibilities for Financial Reports

The Board of Directors of Thai Mui Corporation Public Company Limited is responsible for the preparation, disclosure, and presentation of the Company's financial statements, including the financial information appearing in the 56-1 One Report. The financial statements were prepared fittingly and in accordance with general financial reporting standards and internal control system. To make the preparation of the financial statements free from factual misstatement, either derived from corruption or errors, the Board of Directors uses careful discretion in choosing accounting policies, feasible and proper financial estimates, as well as taking the consistent practice for the preparation to assure that the financial reports are without inaccuracy, displaying the information that is beneficial to shareholders and general investors in a transparent manner.

The Board of Directors has appointed the Audit Committee which consists of independent directors to review accounting policies and to take care of the quality of financial reports, the internal control review, the internal audit, the risk management system, and the disclosure of related transactions. The opinion of the Audit Committee regarding this matter appears in the report from the Audit Committee which is also shown in this annual report.

The financial statements of the company have been audited by an authorized auditor from EY Office Company Limited, which has performed the audit in accordance with the auditing standards and the ethical requirements. Correspondingly, the roles of the auditor include planning and performing audit work to obtain reasonable assurance that the accounting information is accurate, complete, and sufficient to maintain the Company's assets, meanwhile preventing any significant fraud or irregular operations. In the auditor's report of this annual report, the auditor's opinion is also shown herewith.

The Board of Directors has established a risk management and control system, including effective internal control systems that are appropriate to ensure that accounting information is accurate, complete, and adequate to prevent fraud or significant irregular operations.

The Board of Directors is of the opinion that the Company has a good, sufficient, and appropriate internal control system. Hence, it can be stated with reasonable confidence that the financial statements of the company for the year ended 31 December 2021 are reliable according to the financial reporting standards and follow the relevant laws and regulations.



(Mr. Pitipat Thitasirinant)
Chairman of the Board



(Mr. Tchakorn Leelaprachakul)
Chief Executive Officer

Report of the Audit Committee for the year 2021

Report of the Audit Committee for the year 2020

The Audit Committee of Thai Mui Corporation Public Company Limited currently consists of 3 independent and qualified directors, according to the requirements and best practice guidelines of the Stock Exchange of Thailand. The 3 directors who have been appointed as the Audit Committee by the Board of Directors are the following:

1. Mr. Pitipat Thitasirinant, the Chairman of the Audit Committee.
2. Mr. Kulawachara Bhurichayawarodom, a member of the Audit Committee.
3. Mrs. Smorn Terdthampiboon, a member of the Audit Committee

Note: Ms. Pailin Sriwilai, the Company Secretary acting as the Secretary of the Audit Committee

In 2021, the Audit Committee held 4 meetings and performed the tasks assigned by the Board of Directors. and in accordance with the Charter of the Audit Committee in its entirety By Mr. Pitipat Thitasirinant, Mr. Kulawachara Bhurichayawarodom and Mrs. Smorn Terdthampiboon Attended the meeting 4 times out of 4 times. The meeting will be meeting with the auditor. and internal auditors who the Audit Committee has considered and reviewed and act on important matters can be summarized as follows:

For **the review of the quarterly financial statements and the annual financial statements of the company**, the committee invites the auditor to attend every meeting, held for the review and the appraisal of the quarterly and annual financial statements. The Audit Committee reviewed the financial statements by inquiring the auditor about the accuracy, completeness, reliability of the financial statements, and the adequacy of financial statement disclosure which reflects the financial status of the company to ensure that the preparation of the financial statements is in accordance with the requirements of the law, the financial reporting standards, and the generally accepted accounting principles. The Audit Committee together with the auditor has agreed that such financial statements are in essence accurate in accordance with the financial reporting standards.

For **the internal control and the internal audit**, the Audit Committee ensured that the internal control system and the internal audits which are in place are appropriately effective to prevent conflicts or any violation of the company's rules and regulations. The committee also offers recommendations to the management so that the business operation is to be concise, prudent, and accurate. Moreover, to ensure efficiency and effectiveness, the committee follows up and monitors that improvement steps are taken according to the recommendations of the audit report, generated by the internal and external auditors. Therefore, the Audit Committee is of the opinion that the internal control of the company is adequately appropriate, finding no significant defects.

In this regard, in 2021, the Audit Committee has considered the appointment of the Company's internal audit committee. be an inspector and Ms. Korakot Wanasawad from Dharmniti Internal Audit Company Limited to be an advisor to the Company's internal audit committee. They are responsible for providing advice on evaluating the sufficiency of the internal control system and internal auditing. to assess sufficiency and appropriateness and the efficiency of the internal control system as well as giving

suggestions to the Company to make corrections to ensure that the business operation is transparent and in line with the principles of good corporate governance.

For **the consideration and the selection of auditors and his/her compensation**, the Audit Committee has considered the selection of auditors and the remuneration by considering the quality of work, the status of the auditor, important limitations, or requirements of the SET or other relating agencies. The committee regularly holds meetings between the Audit Committee and the Company's auditor on a quarterly basis to discuss the audit, discussing problems found from the examination and finding ways to resolve the arisen issues.

The Audit Committee has considered the performance of the auditor, Khun Siriwan Suratepin from EY Office Company Limited in the past accounting period. And to consider the audit fee Presented to the board of directors the 2021 Annual General Meeting of Shareholders has approved to appoint Khun Siriwan Suratepin, Certified Public Accountant Registration No. 4604, EY Office Limited to be the Company's auditor

As for **related items**, the Audit Committee has considered giving opinions on related transactions and persons who may have conflicts of interest and reflected whether the transaction is reasonable, including the disclosure of such transaction in accordance with the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission by means of regularly and quarterly considering the interests of the stakeholders.

The Audit Committee has performed its duties independently according to the scope and responsibilities assigned by the Board of Directors and as specified in the Charter of the Audit Committee. The Audit Committee is of the opinion that the Company's financial reports have been prepared correctly according to generally accepted practices and financial reporting standards, as well as government regulations; there is sufficiently accurate information disclosure. In summary, there are no issues that are contrary to the facts found.

The company operates under a transparent internal control system, with the effective and efficient risk management. In compliance with relevant laws and regulations, there is sufficient disclosure of information. The Company's business practice is consistent with the good corporate governance system. With transparency, trustworthiness and corporate responsibility to the economy, society and environment, it is ensured that Thai Mui Corporation Public Company Limited is ready to grow and is able to maintain good corporate governance within the organization.



(Mr. Pitipat Thitasirinant)

Chairman of the Audit Committee

Report of the Nomination and Remuneration Committee for the year 2021

The Nomination and Remuneration Committee consists of

1. Mr. Pitipat Thitasirinant, the Chairman of the Nomination and Remuneration Committee, and
2. Mr. Tchakorn Leelaprachakul, a member of the Nomination and Remuneration Committee, and
3. Ms. Duenpun Lilavivat, a member of the Nomination and Remuneration Committee.

The Board of Directors has appointed the Nomination and Remuneration Committee to be responsible for recruiting and nominating qualified personnel to serve for the positions of directors, sub-committees, and managing director, as well as for considering the compensation before propositioning to the Board of Directors.

According to the roles and responsibilities assigned by the Board of Directors, the Nomination and Remuneration Committee has performed its duties with care, prudence, and full capacity in compliance with the good corporate governance principles be transparent for maximum benefit to all stakeholders.

In the past 2020, there was a crisis of the coronavirus outbreak 2019 (COVID-19) affecting the internal and external economy, the company was also affected. Therefore, there is no consideration to adjust the compensation within the organization.



(Mr. Pitipat Thitasirinant)

Chairman of the Nomination and Remuneration Committee

Report of the Risk Management Committee for the year 2021

The Board of Directors realizes the importance and gives priority to the risk management of the organization, which is an important element that will continue to support the business operations of the company, enabling the company to achieve the goal set, to reduce any negative impact, to create opportunities and to increase the competitiveness of the company. The Board of Directors, therefore, appointed the Risk Management Committee to oversee and assess any high-impact risks in order to propose the appropriate risk management guidelines. The Risk Management Committee consists of the directors and executives appointed by the Board of Directors as follows:

1. Mr. Kulawachara Bhurichayawarodom, the Chairman of the risk management committee, and
2. Ms. Duenpun Lilavivat, a member of the risk management committee, and
3. Mr. Tchakorn Leelaprachakul, a member of the risk management committee

The Company by the Risk Management Committee has monitored the risk management results to ensure that there is sufficient and effective risk management in place, with vigilant supervision and close monitoring of the risks and having dutiful risk management plans. This will allow the company to run smoothly and continuously to achieve the goals set within the business plan of the organization whilst being in accordance with the principles of good corporate governance, resulting in the creation of added value contributing to the organization's sustainable growth. The Board of Directors has reviewed and act on important matters Summarized as follows.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

- Trade receivables and contract assets

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables and contract assets are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries. An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating.

- Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Market risk

There are two types of market risk comprising interest rate risk and currency risk.

- Interest rate risk

The Group's exposure to interest rate risk relates primarily to its bank overdrafts and long-term loans. The Group's financial assets and liabilities which have bear floating interest rates or fixed interest rates which are close to the market rate. As December 31 2021, the Group's exposure to interest rate changes is not material. The Group manages its interest rate risk by obtain variety sources of funds which bear fixed or floating interest rate at appropriate level.

- Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. As December 31 2021 and 2020, the Group's exposure to foreign currency changes is not material.

Liquidity risk

The Group monitors the risk of a shortage of liquidity with bank overdrafts, bank loans and lease contracts. The Group has assessed the concentration of risk with respect to refinancing its debt and conclude it to be low. The Group has access to sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with exiting lender.



(Mr. Kulawachara Bhurichayawarodom)

Chairman of the Risk Management Committee

THAIMUI

WE UNDERSTAND

THAI MUI CORPORATION PUBLIC COMPANY LIMITED

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